ALGER

THE ALGER PORTFOLIOS

Alger Capital Appreciation Portfolio

ANNUAL REPORT

DECEMBER 31, 2021

Alger is a signatory to the PRI and carbon neutral.

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ALGER CAPITAL APPRECIATION PORTFOLIO

Dear Shareholders,

The Appeal of Long-Term Fundamentals

Equities of companies with attractive long-term fundamentals fell out of favor with investors during the 12-month reporting period ended December 31, 2021. However, we believe this category of equities now has strong potential for outperformance in 2022. To understand the events of 2021 and why market conditions may change, it's helpful to look at specific market rotations that occurred in each half of the year.

Economic Outlook Leads to Cyclicals

Economically sensitive stocks, such as Energy and Financials, were among the best performing equities in the first half of 2021, as investors clamored for exposure to an accelerating economy. The stage for this change in investor preference was set in late 2020, when favorable COVID-19 vaccine trials sparked optimism about the pandemic faltering and hopes that efforts to curtail the public health emergency would be scaled back or eliminated. This optimism, combined with record levels of fiscal stimulus, caused the economy to start rebounding after lockdowns had previously sparked an acute recession. The optimism strengthened when the Food and Drug Administration eventually granted emergency use authorization of COVID-19 vaccines and by the beginning of 2021, some 2.8 million Americans had received their first dose—a slow start but a start nevertheless. The aggressive vaccination campaign in the subsequent months and continued economic growth sustained investor optimism, which contributed to a selloff in safe-haven Treasury bonds with the 10-year yield rising 53 basis points ("bps") to 1.47% in the first half of 2021.

A few points illustrate the dramatic strength of the economy:

- At the start of 2021, the consensus GDP growth forecast was 4.0%, an estimate that increased 250bps during the first half of 2021 to 6.5%, according to FactSet.
- Unemployment dropped substantially from 6.7% to 3.9% by year-end.

Many equity investors reacted to economic optimism and higher long-term interest rates by rotating into cyclical stocks or companies with earnings growth closely or directly tied to economic expansion. In our view, these companies usually have weak long-term growth potential, are typically found within the value category, and are lower quality; unlike secular growth leaders that use innovation to disrupt their respective industries and generate future earnings growth. The investor preference for these companies can be seen in the in the first half of 2021 when factors such as high debt, low gross margins, high beta, slow long-term growth and low shorthand metrics of valuation, such as price-to-book value, outperformed companies with stronger balance sheets, higher gross margins and stronger forecasted profit growth[1].

Rate Hike Anxiety Leads to Defensiveness

In the second half of 2021, inflation was higher than expected, topping 6%, and the Federal Reserve ("the Fed") signaled a desire to raise rates sooner than anticipated. As a result, yields of shorter term debt increased rapidly. During this period, the 2-year Treasury Bill increased nearly 50bps from 25bps to 73bps after only rising 14bps from to 25bps in the first half of the year. Investors responded by selling stocks perceived as riskier. This was reflected in the market sensitivity factor or Beta underperforming the sector-neutral S&P 1500 Index by 7%, after having outperformed in the first half of the year.

Investors also sought safety in large cap companies, with the small capitalization Russell 2000 Index underperforming the S&P 500 Index by nearly 1,400bps in the second half of the year. This was particularly true in the large cap growth area of the market, which has become highly concentrated– the top ten companies accounted for nearly half (48%) of the Russell 1000 Growth Index at the end of 2021. Indeed, for the 2021 calendar year we estimate that the top ten constituents accounted for 62% of the Russell 1000 Growth Index's performance, thereby outperforming the rest of the Russell 1000 Growth Index by approximately a stunning 2,000bps. Accordingly, the average growth stock did not fare nearly as well as the Russell 1000 Growth Index.

Summing Up 2021

In a word, much of the equity performance last year can be attributed to duration. In our view, investors sought instant gratification from a one-time re-opening of the economy in the first half of the year to hiding in defensive businesses in the second half. Short-duration cash flow stocks, businesses with limited opportunities to invest their earnings that instead distribute their cash to shareholders, did very well at the expense of long-duration cash flow equities that are more likely to reinvest for long-term growth.

Whether it was rising risk-free rates or simply higher risk premiums, many investors adjusted their cash flow modeling by increasing the rate at which they discounted future cash flows back to the present. This process lowered the value of long duration assets most, just as long-term bonds are impacted more by rising rates than short-term bonds.

We saw this dynamic in the largest spread in performance between the small capitalization Russell 2000 Growth Index and the S&P 500 Index in more than 20 years (over 2,700bps). On a more granular basis, within the S&P 1500 Index, there was a very wide performance spread between short-duration characteristics such as shareholder yield, which measures the performance of companies with the highest dividend and share repurchase yields, and long-duration characteristics, such as the long-term growth factor, which measures the performance of those companies with the highest forecasted long-term growth[2].

This rotation to companies with high current shareholder yields was apparent not only in the broad market but within growth stocks as illustrated by the S&P 1500 Growth Index[3], which helps explain why large cap growth, which tends to include more companies with significant current earnings, was relatively strong in 2021, with the Russell 1000 Growth Index generating a 27.6% return compared to the 25.2% return of the Russell 1000 Value Index. On the contrary, small cap growth tends to include younger companies that are aggressively investing in innovation rather than generating earnings or paying dividends.

A Brighter Path Forward

While many smaller growth company stock prices underperformed, their fundamentals did not. During 2021, the next 12-month ("NTM") earnings per share (EPS) estimates for the S&P SmallCap 600 Growth Index increased by 63%, according to FactSet data, easily trouncing the still quite strong 36% increase in S&P 500 Index NTM EPS estimates.

But what happens when price underperformance meets fundamental outperformance? Compressed valuations may ensue. The rotation away from smaller growth equities juxtaposed with strong fundamental growth has resulted in historically attractive valuations in these types of companies. The S&P SmallCap 600 Growth Index valuation is 20% lower than that of the S&P 500 Index, its biggest discount in two decades. Typically, small cap growth equities trade at a premium to large cap stocks based on their superior forecasted fundamental trajectory.

The last time this occurred in February 2001, small cap growth outperformed the broad market by over 50% in the ensuing five years. We maintain that the potential normalization of the small cap growth price-to-equity ratio (P/E) relative to the S&P 500 Index may provide a strong tailwind to small cap performance. Additionally, we believe long-term fundamentals for small cap growth are compelling. Based on FactSet consensus estimates, small cap growth EPS is expected to increase 17.4% over the next two years compared to only 6.9% for the S&P 500 Index.

We believe small cap growth stocks could also benefit from a rally in health care and biotech in particular, with the S&P Biotechnology Select Industry Index declining 24% in 2021, drastically underperforming the broad market and the small cap category. This underperformance has resulted in the equity market capitalization to net cash value ratio of the biotech group declining to 3x—its lowest level in 20 years.

Potential for Shifting Sentiment

In our view, valuations, while compelling, may not be enough to drive a shift in sentiment. To that end, we believe it's important to consider that the economy can only re-open once so the strong economic boost in the aftermath of the pandemic is likely to be a one-time event. Eventually, we believe GDP growth resulting from the re-opening is likely to weaken or a COVID-19 variant such as Omicron may weigh upon economic growth. If either occurs, investors may be willing to pay a premium for companies that can grow earnings with innovative products rather than cyclical growth. Additionally, the Federal Reserve's shrinking of its balance sheet and increasing of the fed funds rate could potentially result in lower long-term interest rates, which would support the equity performance of long-duration companies. Ultimately, irrespective of changes in valuation, the potential for high-quality growth companies to generate compound earnings and revenue growth should support strong returns over the long-term, in our view.

The Road Ahead

In closing, since our founding more than 55 years ago, we have believed that companies with strong long-term fundamentals offer the best potential for generating attractive returns for patient investors. The significant rotation we witnessed in 2021 has not changed our strong conviction in using in-depth fundamental research to find secular growth leaders with potential for generating long-term earnings growth. We continue to believe that our investment philosophy is highly appropriate as historically high levels of innovation, including the digital revolution that is disrupting all industries, are providing leading companies with strong opportunities to generate secular growth. A wide range of medical advances, such as genetic sciences, is also providing secular growth. We believe where there is growth in fundamentals, there will be solid returns. Now it is the stock market's turn to catch up.

Portfolio Matters

Alger Capital Appreciation Portfolio

The Alger Capital Appreciation Portfolio returned 19.13% during the fiscal 12-month period ended December 31, 2021, compared to the 27.60% return of its benchmark, the Russell 1000 Growth Index. During the reporting period, the largest sector weightings were Information Technology and Consumer Discretionary. The largest sector overweight was Information Technology and the largest underweight was Health Care.

Contributors to Performance

The Financials and Utilities sectors provided the largest contributions to relative performance. Regarding individual positions, Microsoft Corp.; Alphabet, Inc., Cl. C; NVIDIA Corp.; Applied Materials, Inc.; and Tesla, Inc. were among the top contributors to absolute performance. We believe Microsoft is a Positive Dynamic Change beneficiary of corporate America's transformative digitization. Microsoft's enterprise cloud product, Azure, is rapidly growing and accruing market share, which has been a primary driver of the company's higher share price. The company's operating execution has enabled notable margin expansion that has also helped to increase forward earnings estimates. We believe Microsoft's subscription-based software offerings and cloud computing services have not been entirely immune to the pandemic-related economic slowdown but are resilient because they enhance customers' growth initiatives and help them to reduce costs. Additionally, we believe investors appreciate Microsoft's strong free cash flow generation and its return of cash to shareholders in the form of dividends and share repurchases.

Detractors from Performance

Information Technology and Consumer Discretionary were among the sectors that detracted from relative performance. Regarding individual positions, Block, Inc., Cl. A; RingCentral, Inc., Cl. A; Snap, Inc., Cl. A; Roku, Inc., Cl. A; and Coinbase Global, Inc., Cl. A. were among the top detractors from absolute performance. Roku is a leading connected TV streaming platform company whose technology has helped change the way consumers consume entertainment. The COVID-19 pandemic accelerated adoption of streaming content and we believe the company's market share gain has been durable. Advertising buyers are reallocating spending toward Roku to reach this growing segment of customers who no longer watch TV via traditional cable to broadcast services. Roku's high unit volume growth is supported by distribution agreements with major media companies that are organizing content distribution strategies around streaming. In our view, the agreements are strong evidence that Roku is now understood to be an increasingly important part of the connected TV ecosystem. In the late part of 2021, however, shares of Roku reacted negatively to lower-than-expected active account additions and hours of content streamed as the company lacked the positive benefit of the prior year's COVID-19 lockdowns. With the widescale administration of COVID-19 vaccines and the end of lockdowns, many individuals have increased their traveling and outdoor activity, which has created a headwind for indoor viewing of connected TV offerings.

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

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[1] Source: Cornerstone Macro. Factor performance relative to the S&P 1500 Index, which is sector neutral and is calculated by taking the relative performance of the top quintile of stocks against the bottom quintile of stocks for each factor. The constituents in the quintiles are rebalanced monthly. High debt is based on the ratio of net debt (debt minus cash) and earnings. Gross margin is based on revenue and the cost of goods sold. Beta is based on the monthly stock return and the monthly market return over the past 5 years. Price to book is the ratio of a company's market valuation to its book value. For more details, see the Alger paper "The Growing Appeal of Long-Term Fundamentals."

[2] Source: Cornerstone Macro. Factor performance relative to the S&P 1500 Index, which is sector neutral and is calculated by taking the relative performance of the top quintile of stocks against the bottom quintile of stocks for each factor. The constituents in the quintiles are rebalanced monthly. Shareholder yield is the total value of stock repurchases by a company minus stock sold by the company. Dividends are then added to the result. The result is then divided by a company's total market value. The long-term growth factor is based on 5-Year earnings per share growth. For more details, see the Alger paper "The Growing Appeal of Long-Term Fundamentals."

[3] Source: Cornerstone Macro. Factor performance relative to the S&P 1500 Growth Index, which is sector neutral and is calculated by taking the relative performance of the top quintile of stocks against the bottom quintile of stocks for each factor. The constituents in the quintiles are rebalanced monthly. Current shareholder yield is the total value of stock repurchases by a company minus stock sold by the company. Dividends are then added to the result. The result is then divided by a company's total market value. For more details, see the Alger paper "The Growing Appeal of Long-Term Fundamentals."

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, 2021. 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. 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 investments. A significant portion of assets may be invested in securities of companies in related sectors, and may be similarly affected by economic, political, or market events and conditions and may be more vulnerable to unfavorable sector developments. 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.

Fred Alger & Company, LLC, Distributor.

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

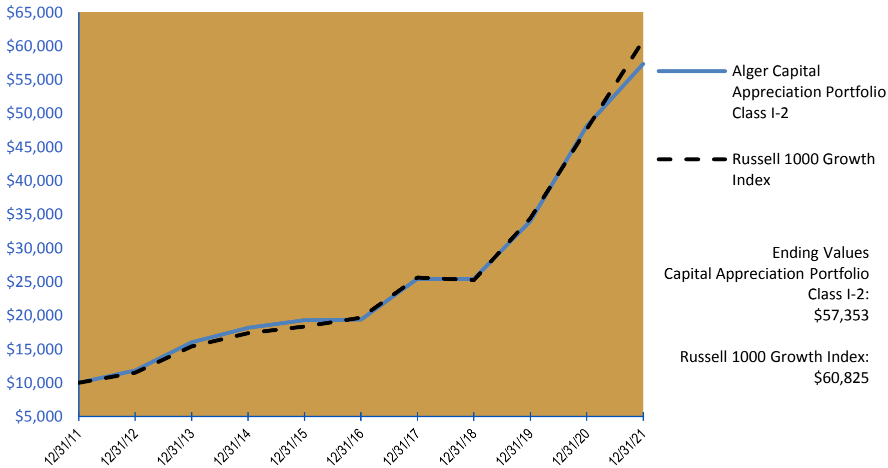
Definitions:

- Earnings per share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock.
- The price-to-book ratio is the ratio of a company's market price to its book value.
- Price-to-earnings is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS).
- Free cash flow is the cash a company generates after taking into consideration cash outflows that support its operations and maintain its capital assets.
- EBITDA (earnings before interest, taxes, depreciation, and amortization) is a commonly used accounting measure of a company's overall financial performance. COGS (cost of goods sold) is generally defined as the direct costs attributable to the production of the goods sold by a company.
- FactSet provides software and market data to financial professionals. FactSet is an independent source, which Alger believes to be a reliable source. Alger, however, makes no representation that it is complete or accurate.

- Beta measures a portfolio's sensitivity to market movements relative to a particular index; a portfolio with a beta of 1.00 would be expected to have returns equal to such index.
- The S&P 1500 Index is an unmanaged index that covers approximately 90% of the U.S. market capitalization.
- The S&P 1500 Growth Index measure the performance of growth equities as defined by sales growth, the ratio of earnings change to price, and momentum.
- The Russell 2000 Index is a small cap stock market index of the bottom 2,000 stocks in the Russell 3000 Index.
- The S&P 500 tracks the performance of 500 large companies listed on stock exchanges in the U.S.
- The Russell 1000 Growth Index is an unmanaged index designed to measure the performance of the largest 1000 companies in the Russell 3000 Index with higher price to book ratios and higher forecasted growth values.
- The Russell 2000 Growth Index measures the performance of the small cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher growth earning potential as defined by Russell's leading style methodology.
- The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price to book ratios and lower forecasted growth values.
- The S&P SmallCap 600 Growth Index measures growth stocks using three factors: sales growth, the ratio of earnings change to price, and momentum. Constituents are drawn from the S&P 600.
- S&P Select Industry Indices are designed to measure the performance of narrow GICS® sub-industries. The S&P Biotechnology Select Industry Index comprises stocks in the S&P Total Market Index that are classified in the GICS biotechnology sub-industry.
- 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.

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

— 10 years ended 12/31/21



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, 2021. 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 higher expenses than Class I-2 bears. Investors cannot invest directly in any index. Index performance does not reflect deduction for fees, expenses, or taxes.

PERFORMANCE COMPARISON AS OF 12/31/21

AVERAGE ANNUAL TOTAL RETURNS	1 YEAR	5 YEARS	10 YEARS	Since 1/25/1995
Class I-2 (Inception 1/25/95)	19.13%	24.19%	19.08%	14.61%
Class S (Inception 5/1/02)(i)	18.83%	23.87%	18.76%	14.33%
Russell 1000 Growth Index	27.60%	25.32%	19.79%	11.67%

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 quarter 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.

(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, 2021 (Unaudited)

SECTORS/SECURITY TYPES	Alger Capital Appreciation Portfolio
Communication Services	10.1%
Consumer Discretionary	19.7
Consumer Staples	0.5
Financials	3.8
Healthcare	8.5
Industrials	6.4
Information Technology	50.4
Real Estate	0.4
Total Equity Securities	99.8
Short-Term Investments and Net Other Assets	0.2
	100.0%

† *Based on net assets for the Portfolio.*

COMMON STOCKS—99.2%	SHARES		VALUE
AEROSPACE & DEFENSE—1.3%			
TransDigm Group, Inc.*	13,204	$	**8,401,441**
AIR FREIGHT & LOGISTICS—0.2%			
GXO Logistics, Inc.*	15,891		**1,443,379**
APPAREL ACCESSORIES & LUXURY GOODS—2.2%			
Capri Holdings Ltd.*	111,738		7,252,914
Lululemon Athletica, Inc.*	8,261		3,233,768
LVMH Moet Hennessy Louis Vuitton SE	4,592		3,792,484
			14,279,166
APPLICATION SOFTWARE—10.5%			
Adobe, Inc.*	27,683		15,697,922
Amplitude, Inc., Cl. A*	4,688		248,183
Atlassian Corp. PLC, Cl. A*	3,470		1,323,076
Avalara, Inc.*	9,312		1,202,272
Bill.com Holdings, Inc.*	23,225		5,786,509
Cadence Design Systems, Inc.*	24,118		4,494,389
Confluent, Inc., Cl. A*	60,879		4,641,415
Intuit, Inc.	25,090		16,138,390
salesforce.com, Inc.*	41,284		10,491,503
Unity Software, Inc.*	48,151		6,885,111
Workday, Inc., Cl. A*	2,393		653,720
			67,562,490
AUTOMOBILE MANUFACTURERS—4.1%			
General Motors Co.*	123,896		7,264,023
Tesla, Inc.*	18,240		19,275,667
			26,539,690
AUTOMOTIVE RETAIL—1.0%			
Carvana Co., Cl. A*	12,958		3,003,535
Lithia Motors, Inc., Cl. A	12,058		3,580,623
			6,584,158
BIOTECHNOLOGY—2.1%			
AbbVie, Inc.	46,040		6,233,816
Horizon Therapeutics PLC*	22,276		2,400,462
Natera, Inc.*	28,309		2,643,777
Vertex Pharmaceuticals, Inc.*	10,265		2,254,194
			13,532,249
CASINOS & GAMING—1.9%			
DraftKings, Inc., Cl. A*	35,406		972,603
Flutter Entertainment PLC*	4,901		775,384
MGM Resorts International	239,842		10,764,109
			12,512,096
CONSUMER FINANCE—0.2%			
Upstart Holdings, Inc.*	6,702		**1,014,013**

COMMON STOCKS—99.2% (CONT.)	SHARES		VALUE
DATA PROCESSING & OUTSOURCED SERVICES—5.3%			
Block, Inc., Cl. A*	36,701	$	5,927,579
Dlocal Ltd., Cl. A*	55,849		1,993,251
Marqeta, Inc., Cl. A*	232,179		3,986,513
PayPal Holdings, Inc.*	59,907		11,297,262
Visa, Inc., Cl. A	51,083		11,070,197
			34,274,802
DIVERSIFIED SUPPORT SERVICES—0.2%			
Cintas Corp.	2,911		**1,290,068**
ELECTRICAL COMPONENTS & EQUIPMENT—2.9%			
AMETEK, Inc.	47,907		7,044,245
Eaton Corp. PLC	68,860		11,900,385
			18,944,630
FINANCIAL EXCHANGES & DATA—2.2%			
Coinbase Global, Inc., Cl. A*	20,219		5,102,669
S&P Global, Inc.	18,803		8,873,700
			13,976,369
FOOTWEAR—0.4%			
NIKE, Inc., Cl. B	13,969		**2,328,213**
HEALTHCARE EQUIPMENT—2.1%			
Abbott Laboratories	4,557		641,352
Dexcom, Inc.*	4,843		2,600,449
Edwards Lifesciences Corp.*	17,760		2,300,808
Intuitive Surgical, Inc.*	22,099		7,940,171
			13,482,780
HEALTHCARE FACILITIES—0.3%			
Tenet Healthcare Corp.*	21,162		**1,728,724**
HEALTHCARE SUPPLIES—0.3%			
Align Technology, Inc.*	3,020		**1,984,684**
HOME IMPROVEMENT RETAIL—0.5%			
Lowe's Cos., Inc.	11,594		**2,996,817**
HOTELS RESORTS & CRUISE LINES—0.3%			
Airbnb, Inc., Cl. A*	12,902		**2,148,054**
INTERACTIVE HOME ENTERTAINMENT—1.6%			
ROBLOX Corp., Cl. A*	39,150		4,038,714
Sea Ltd.#,*	6,025		1,347,853
Take-Two Interactive Software, Inc.*	29,049		5,162,588
			10,549,155
INTERACTIVE MEDIA & SERVICES—6.3%			
Alphabet, Inc., Cl. C*	12,231		35,391,499
Meta Platforms, Inc., Cl. A*	2,683		902,427
Snap, Inc., Cl. A*	95,603		4,496,209
			40,790,135
INTERNET & DIRECT MARKETING RETAIL—7.1%			
Amazon.com, Inc.*	13,648		45,507,072
MercadoLibre, Inc.*	307		413,959
			45,921,031

COMMON STOCKS—99.2% (CONT.)	SHARES		VALUE
INTERNET SERVICES & INFRASTRUCTURE—3.3%			
MongoDB, Inc., Cl. A*	4,660	$	2,466,771
Shopify, Inc., Cl. A*	7,645		10,530,147
Snowflake, Inc., Cl. A*	2,302		779,802
Twilio, Inc., Cl. A*	28,064		7,390,374
			21,167,094
INVESTMENT BANKING & BROKERAGE—0.2%			
Morgan Stanley	12,227		**1,200,202**
LEISURE FACILITIES—1.0%			
Vail Resorts, Inc.	19,403		**6,362,244**
LIFE SCIENCES TOOLS & SERVICES—1.9%			
Danaher Corp.	37,300		**12,272,073**
MANAGED HEALTHCARE—1.8%			
UnitedHealth Group, Inc.	23,094		**11,596,421**
MOVIES & ENTERTAINMENT—2.2%			
Live Nation Entertainment, Inc.*	56,661		6,781,755
Netflix, Inc.*	6,935		4,177,921
Roku, Inc., Cl. A*	15,630		3,566,766
			14,526,442
PERSONAL PRODUCTS—0.5%			
The Estee Lauder Cos., Inc., Cl. A	7,949		**2,942,720**
RAILROADS—0.3%			
Union Pacific Corp.	7,075		**1,782,405**
REGIONAL BANKS—1.2%			
Signature Bank	23,615		**7,638,744**
RESTAURANTS—1.2%			
Chipotle Mexican Grill, Inc., Cl. A*	2,870		5,017,478
Shake Shack, Inc., Cl. A*	40,077		2,891,956
			7,909,434
SEMICONDUCTOR EQUIPMENT—2.6%			
Applied Materials, Inc.	94,578		14,882,794
SolarEdge Technologies, Inc.*	8,036		2,254,661
			17,137,455
SEMICONDUCTORS—10.9%			
Advanced Micro Devices, Inc.*	99,419		14,306,394
Micron Technology, Inc.	121,849		11,350,234
NVIDIA Corp.	82,977		24,404,366
QUALCOMM, Inc.	89,041		16,282,928
SiTime Corp.*	3,839		1,123,061
Taiwan Semiconductor Manufacturing Co., Ltd.#	26,230		3,155,731
			70,622,714
SYSTEMS SOFTWARE—12.1%			
Crowdstrike Holdings, Inc., Cl. A*	10,083		2,064,494
Microsoft Corp.	217,575		73,174,824
ServiceNow, Inc.*	4,995		3,242,305
			78,481,623
TECHNOLOGY HARDWARE STORAGE & PERIPHERALS—5.5%			
Apple, Inc.	199,625		**35,447,411**

COMMON STOCKS—99.2% (CONT.)	SHARES		VALUE
TRUCKING—1.5%			
Uber Technologies, Inc.*	155,964	$	6,539,571
XPO Logistics, Inc.*	42,728		3,308,429
			9,848,000
TOTAL COMMON STOCKS			
(Cost $414,149,275)			**641,219,126**
PREFERRED STOCKS—0.1%	**SHARES**		**VALUE**
DATA PROCESSING & OUTSOURCED SERVICES—0.1%			
Chime Financial, Inc., Series G*,@,(a)	6,689		**462,008**
(Cost $462,008)			**462,008**
REAL ESTATE INVESTMENT TRUST—0.4%	**SHARES**		**VALUE**
RETAIL—0.4%			
Simon Property Group, Inc.	17,208		**2,749,322**
(Cost $1,775,779)			**2,749,322**
SPECIAL PURPOSE VEHICLE—0.1%	**SHARES**		**VALUE**
DATA PROCESSING & OUTSOURCED SERVICES—0.1%			
Crosslink Ventures Capital LLC, Cl. A*,@,(a),(b)	19		**760,532**
(Cost $475,000)			**760,532**
Total Investments			
(Cost $416,862,062)	99.8%	**$**	**645,190,988**
Affiliated Securities (Cost $475,000)			760,532
Unaffiliated Securities (Cost $416,387,062)			644,430,456
Other Assets in Excess of Liabilities	0.2%		1,061,989
NET ASSETS	100.0%	**$**	**646,252,977**

American Depositary Receipts.
* *Non-income producing security.*
(a) *Security is valued in good faith at fair value determined using significant unobservable inputs pursuant to procedures established by the Board.*
(b) *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 12/31/2021*
Chime Financial, Inc., Series G	*8/24/21*	*$462,008*	*0.07%*	*$462,008*	*0.07%*
Crosslink Ventures Capital LLC, Cl. A	*10/2/20*	*475,000*	*0.08%*	*760,532*	*0.12%*
Total				*$1,222,540*	*0.19%*

See Notes to Financial Statements.

		Alger Capital Appreciation Portfolio
ASSETS:		
Investments in unaffiliated securities, at value (Identified cost below)* see accompanying schedule of investments	$	644,430,456
Investments in affiliated securities, at value (Identified cost below)** see accompanying schedule of investments		760,532
Cash and cash equivalents		1,144,050
Foreign cash †		20,158
Receivable for investment securities sold		5,333,577
Receivable for shares of beneficial interest sold		172,572
Dividends and interest receivable		84,849
Prepaid expenses		38,968
Total Assets		651,985,162
LIABILITIES:		
Payable for investment securities purchased		4,974,056
Payable for shares of beneficial interest redeemed		171,943
Accrued investment advisory fees		446,640
Accrued distribution fees		13,008
Accrued shareholder administrative fees		5,514
Accrued administrative fees		15,164
Accrued custodian fees		10,519
Accrued transfer agent fees		8,077
Accrued printing fees		33,387
Accrued professional fees		13,230
Accrued fund accounting fees		35,464
Accrued other expenses		5,183
Total Liabilities		5,732,185
NET ASSETS	**$**	**646,252,977**
NET ASSETS CONSIST OF:		
Paid in capital (par value of $.001 per share)		389,795,590
Distributable earnings		256,457,387
NET ASSETS	**$**	**646,252,977**
* Identified cost	$	416,387,062[(a)]
** Identified cost	$	475,000[(a)]
† Cost of foreign cash	$	20,039

See Notes to Financial Statements.

[(a)] *At December 31, 2021, the net unrealized appreciation on investments, based on cost for federal income tax purposes of $420,883,976, amounted to $224,307,012, which consisted of aggregate gross unrealized appreciation of $240,513,004 and aggregate gross unrealized depreciation of $16,205,992.*

		Alger Capital Appreciation Portfolio
NET ASSETS BY CLASS:		
Class I-2	$	584,908,458
Class S	$	61,344,519
SHARES OF BENEFICIAL INTEREST OUTSTANDING — NOTE 6:		
Class I-2		6,200,622
Class S		720,375
NET ASSET VALUE PER SHARE:		
Class I-2	$	94.33
Class S	$	85.16

See Notes to Financial Statements.

ALGER CAPITAL APPRECIATION PORTFOLIO
Statement of Operations for the year ended December 31, 2021

		Alger Capital Appreciation Portfolio
INCOME:		
Dividends (net of foreign withholding taxes*)	$	2,895,207
Total Income		2,895,207
EXPENSES:		
Investment advisory fees — Note 3(a)		5,302,743
Distribution fees — Note 3(c)		
Class S		153,769
Shareholder administrative fees — Note 3(f)		65,466
Administration fees — Note 3(b)		180,031
Custodian fees		38,752
Interest expenses		6,879
Transfer agent fees — Note 3(f)		34,322
Printing fees		68,675
Professional fees		79,845
Registration fees		34,417
Trustee fees — Note 3(g)		15,646
Fund accounting fees		136,519
Other expenses		30,430
Total Expenses		6,147,494
NET INVESTMENT LOSS		(3,252,287)
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY:		
Net realized gain on unaffiliated investments		148,572,389
Net realized loss on foreign currency transactions		(12,009)
Net change in unrealized depreciation on unaffiliated investments		(32,798,218)
Net change in unrealized appreciation on affiliated investments		285,532
Net change in unrealized depreciation on foreign currency		(191)
Net realized and unrealized gain on investments and foreign currency		116,047,503
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$**	**112,795,216**
* Foreign withholding taxes	$	38,267

See Notes to Financial Statements.

	Alger Capital Appreciation Portfolio	
	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
Net investment loss	$ (3,252,287)	$ (1,602,757)
Net realized gain on investments and foreign currency	148,560,380	96,528,270
Net change in unrealized appreciation (depreciation) on investments and foreign currency	(32,512,877)	96,827,838
Net increase in net assets resulting from operations	112,795,216	191,753,351
Dividends and distributions to shareholders:		
Class I-2	(121,981,875)	(73,710,073)
Class S	(13,833,232)	(7,998,816)
Total dividends and distributions to shareholders	(135,815,107)	(81,708,889)
Increase (decrease) from shares of beneficial interest transactions — Note 6:		
Class I-2	31,410,710	11,701,960
Class S	6,128,774	(1,365,019)
Net increase from shares of beneficial interest transactions — Note 6	37,539,484	10,336,941
Total increase	14,519,593	120,381,403
Net Assets:		
Beginning of period	631,733,384	511,351,981
END OF PERIOD	**$ 646,252,977**	**$ 631,733,384**

See Notes to Financial Statements.

Alger Capital Appreciation Portfolio

	Class I-2				
	Year ended 12/31/2021	Year ended 12/31/2020	Year ended 12/31/2019	Year ended 12/31/2018	Year ended 12/31/2017
Net asset value, beginning of period	$ 99.96	$ 80.93	$ 68.07	$ 82.64	$ 67.11
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income (loss)[(i)]	(0.52)	(0.25)	(0.01)	0.03	0.11
Net realized and unrealized gain on investments	19.51	33.91	22.74	0.10	20.76
Total from investment operations	18.99	33.66	22.73	0.13	20.87
Dividends from net investment income	–	–	–	(0.08)	(0.13)
Distributions from net realized gains	(24.62)	(14.63)	(9.87)	(14.62)	(5.21)
Net asset value, end of period	$ 94.33	$ 99.96	$ 80.93	$ 68.07	$ 82.64
Total return	19.13%	41.75%	33.58%	(0.10)%	31.08%
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of period (000's omitted)	$ 584,908	$ 573,297	$ 461,686	$ 412,728	$ 468,883
Ratio of net expenses to average net assets	0.91%	0.93%	0.94%	0.95%	0.94%
Ratio of net investment income (loss) to average net assets	(0.47)%	(0.27)%	(0.01)%	0.03%	0.13%
Portfolio turnover rate	89.50%	89.91%	74.35%	67.68%	61.90%

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 12/31/2021	Year ended 12/31/2020	Year ended 12/31/2019	Year ended 12/31/2018	Year ended 12/31/2017
Net asset value, beginning of period	$ 92.49	$ 75.85	$ 64.44	$ 79.13	$ 64.50
INCOME FROM INVESTMENT OPERATIONS:					
Net investment loss(i)	(0.73)	(0.45)	(0.21)	(0.19)	(0.09)
Net realized and unrealized gain on investments	18.02	31.72	21.49	0.12	19.93
Total from investment operations	17.29	31.27	21.28	(0.07)	19.84
Distributions from net realized gains	(24.62)	(14.63)	(9.87)	(14.62)	(5.21)
Net asset value, end of period	$ 85.16	$ 92.49	$ 75.85	$ 64.44	$ 79.13
Total return	18.83%	41.40%	33.24%	(0.37)%	30.74%
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of period (000's omitted)	$ 61,345	$ 58,436	$ 49,666	$ 41,858	$ 50,097
Ratio of net expenses to average net assets	1.16%	1.18%	1.21%	1.21%	1.21%
Ratio of net investment loss to average net assets	(0.72)%	(0.52)%	(0.28)%	(0.23)%	(0.13)%
Portfolio turnover rate	89.50%	89.91%	74.35%	67.68%	61.90%

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. Effective April 30, 2021, the Board of Trustees of the Fund (the "Board") authorized a partial closing of the Portfolio's Class S shares. Existing investors that hold Class S shares who had an open account with the Portfolio on April 30, 2021 may continue to invest in additional Class S shares of the Portfolio through exchanges, dividend reinvestment and additional purchases, as provided in the Portfolio's prospectus.

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 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 meetings are held 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.

In December 2020, the Securities and Exchange Commission adopted Rule 2a-5, Good Faith Determinations of Fair Value, under the 1940 Act, which is intended to address valuation practices and the role of the board of directors with respect to the fair value of the investments of a registered investment company. Among other things, Rule 2a-5 will permit the Portfolio's Board to designate the Portfolio's primary investment adviser to perform the Portfolio's fair value determinations, which will be subject to the Board's oversight and certain reporting and other requirements intended to ensure that the Board receives the information it needs to oversee the investment adviser's fair value determinations. Compliance with Rule 2a-5 will not be required until September 2022. The Adviser continues to review Rule 2a-5 and its impact on the Adviser's and the Portfolio's valuation policies and related practices.

(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 ("BBH" or the "Custodian"), in an amount equal to at least 102% of the current market value of U.S. loaned securities or 105% 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, 2021.

(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 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 2018-2021. 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.

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, 2021, 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, 2021, the Portfolio paid Alger LLC $53,370 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 in the Alger Fund Complex. If the Portfolio has borrowed from other funds in the Alger Fund Complex 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 in the Alger Fund Complex. 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, 2021.

During the year ended December 31, 2021, the Portfolio incurred interfund loan interest expenses of $5,872, 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 2021, 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 $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 term "Alger Fund Complex" refers to the Fund, The Alger Institutional Funds, The Alger Funds II, The Alger Funds, Alger Global Focus Fund and The Alger ETF Trust, each of which is a registered investment company managed by Alger Management. The Independent Trustee appointed as Chairman of the Board 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 based on net assets by each fund in the Alger Fund Complex.

On December 15, 2021, the Board approved the following changes in Trustee compensation. Effective January 1, 2022, each Independent Trustee receives a fee of $156,000 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 receives additional compensation of $22,000 per annum paid pro rata based on net assets by each fund in the Alger Fund Complex. Additionally, each member of the Audit Committee receives a fee of $13,000 per annum, paid pro rata based on net assets by each fund in the Alger Fund Complex. Effective January 1, 2022, the Board adopted a policy that requires the trustees to receive a minimum of 10% of their annual compensation in shares of funds 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, an affiliate of Alger Management. There were no interfund trades during the year ended December 31, 2021.

(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, 2021.

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, 2021, were as follows:

	PURCHASES	SALES
Alger Capital Appreciation Portfolio	$580,567,524	$677,813,134

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, 2021, 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	$ 606,356	1.13%

The highest amount borrowed from the Custodian and other funds during the year ended December 31, 2021 by the Portfolio was as follows:

	HIGHEST BORROWING
Alger Capital Appreciation Portfolio	$ 8,407,000

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, 2021 and the year ended December 31, 2020, transactions of shares of beneficial interest were as follows:

	FOR THE YEAR ENDED DECEMBER 31, 2021		FOR THE YEAR ENDED DECEMBER 31, 2020	
	SHARES	AMOUNT	SHARES	AMOUNT
Alger Capital Appreciation Portfolio				
Class I-2:				
Shares sold	628,822	$ 68,876,588	887,694	$ 81,782,523
Dividends reinvested	1,295,988	121,667,356	733,158	72,604,639
Shares redeemed	(1,459,480)	(159,133,234)	(1,590,029)	(142,685,202)
Net increase	**465,330**	**$ 31,410,710**	**30,823**	**$ 11,701,960**
Class S:				
Shares sold	23,298	$ 2,325,471	55,068	$ 4,546,407
Dividends reinvested	163,205	13,833,231	87,295	7,998,816
Shares redeemed	(97,968)	(10,029,928)	(165,316)	(13,910,242)
Net increase (decrease)	**88,535**	**$ 6,128,774**	**(22,953)**	**$ (1,365,019)**

NOTE 7 — Income Tax Information:

The tax character of distributions paid during the year ended December 31, 2021 and the year ended December 31, 2020 was as follows:

	FOR THE YEAR ENDED DECEMBER 31, 2021	FOR THE YEAR ENDED DECEMBER 31, 2020
Alger Capital Appreciation Portfolio		
Distributions paid from:		
Ordinary Income	$ 4,563,601	$ 1,193,686
Long-term capital gain	131,251,506	80,515,203
Total distributions paid	**$ 135,815,107**	**$ 81,708,889**

As of December 31, 2021, the components of accumulated earnings (losses) on a tax basis were as follows:

Alger Capital Appreciation Portfolio	
Undistributed ordinary income	$ 3,531,890
Undistributed long-term gains	28,636,447
Net accumulated earnings	32,168,337
Capital loss carryforwards	—
Net unrealized appreciation	224,289,050
Total accumulated earnings	$ 256,457,387

At December 31, 2021, the Portfolio, for federal income tax purposes, had no capital loss carryforwards and no capital loss carryforwards were utilized in 2021.

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 the return of capital from real estate investment trust investments.

The Portfolio accrues tax on unrealized gains in foreign jurisdictions that impose a foreign capital tax.

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, 2021:

Alger Capital Appreciation Portfolio		
Distributable earnings	$	1
Paid in Capital	$	(1)

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, 2021, 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	$ 65,865,732	$ 65,865,732	$ —	$ —
Consumer Discretionary	127,580,903	123,013,035	4,567,868	—
Consumer Staples	2,942,720	2,942,720	—	—
Financials	23,829,328	23,829,328	—	—
Healthcare	54,596,931	54,596,931	—	—
Industrials	41,709,923	41,709,923	—	—
Information Technology	324,693,589	324,693,589	—	—
TOTAL COMMON STOCKS	**$ 641,219,126**	**$ 636,651,258**	**$ 4,567,868**	**$ —**

Alger Capital Appreciation Portfolio	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
PREFERRED STOCKS				
Information Technology	$ 462,008	$ —	$ —	$ 462,008
REAL ESTATE INVESTMENT TRUST				
Real Estate	2,749,322	2,749,322	—	—
SPECIAL PURPOSE VEHICLE				
Information Technology	760,532	—	—	760,532
TOTAL INVESTMENTS IN SECURITIES	**$ 645,190,988**	**$ 639,400,580**	**$ 4,567,868**	**$ 1,222,540**

Alger Capital Appreciation Portfolio	FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) Preferred Stocks
Opening balance at January 1, 2021	$ —
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	462,008
Sales	—
Closing balance at December 31, 2021	462,008
Net change in unrealized appreciation (depreciation) attributable to investments still held at December 31, 2021*	$ —

Alger Capital Appreciation Portfolio	FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) Special Purpose Vehicle
Opening balance at January 1, 2021	$ 475,000
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	285,532
Purchases and sales	
Purchases	—
Sales	—
Closing balance at December 31, 2021	760,532
Net change in unrealized appreciation (depreciation) attributable to investments still held at December 31, 2021*	$ 285,532

* *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, 2021. 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, 2021	Valuation Methodology	Unobservable Input	Input/ Range	Weighted Average
Alger Capital Appreciation Portfolio					
Preferred Stocks	$ 462,008	Cost Approach	Priced at cost	N/A	N/A
Special Purpose Vehicle	$ 760,532	Market Approach	Transaction Price	N/A	N/A
			Revenue Multiple	29.25x–30.25x	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, 2021, such assets were categorized within the ASC 820 disclosure hierarchy as follows:

	TOTAL FUND	LEVEL 1	LEVEL 2	LEVEL 3
Cash, foreign cash and cash equivalents	$ 1,164,208	$ 20,158	$ 1,144,050	$ —

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, 2021.

NOTE 10 — Risk Disclosures:

Investing in the stock market involves 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. 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. 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 investments. A significant portion of assets may be invested in securities of companies in related sectors, and may be similarly affected by economic, political, or market events and conditions and may be more vulnerable to unfavorable sector developments. 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, 2021 or because the Portfolio and the issuer are managed by the same investment adviser. Information regarding the Portfolio's holdings of such securities is set forth in the following table:

Security	Value at December 31, 2020	Purchases/ Conversion	Sales/ Conversion	Dividend/ Interest Income	Realized Gain (Loss)	Net Change in Unrealized App(Dep)	Value at December 31, 2021
Alger Capital Appreciation Portfolio							
Special Purpose Vehicle							
Crosslink Ventures Capital LLC, Cl. A	$ 475,000	$ –	$ –	$ –	$ –	$ 285,532	$ 760,532
Total	$ 475,000	$ –	$ –	$ –	$ –	$ 285,532	$ 760,532

NOTE 12 — Subsequent Events:

Management of the Portfolio has evaluated events that have occurred subsequent to December 31, 2021, through the issuance date of the Financial Statements. The following items were noted which require recognition and/or disclosure:

On September 7, 2021, BBH, the Portfolio's custodian, announced that it had entered into an agreement with State Street Bank and Trust Company ("State Street") to sell BBH's Investor Services business to State Street (the "Transaction"). The Transaction is subject to certain closing conditions, including regulatory and customary approvals, and it is expected to be consummated during the second calendar quarter of 2022 (the "Closing Date"). Consequently, as a result of the Transaction, it is expected that State Street will replace BBH as the Portfolio's custodian effective as of the Closing Date.

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, 2021, 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, 2021, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

Deloitte & Touche LLP
New York, New York
February 25, 2022

We have served as the auditor of one or more investment companies within the Alger 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, 2021 and ending December 31, 2021 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, 2021" 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, 2021	Ending Account Value December 31, 2021	Expenses Paid During the Six Months Ended December 31, 2021[(a)]	Annualized Expense Ratio For the Six Months Ended December 31, 2021[(b)]
Alger Capital Appreciation Portfolio					
Class I-2	Actual	$ 1,000.00	$ 1,054.30	$ 4.71	0.91%
	Hypothetical[(c)]	1,000.00	1,020.62	4.63	0.91
Class S	Actual	1,000.00	1,053.00	6.00	1.16
	Hypothetical[(c)]	1,000.00	1,019.36	5.90	1.16

(a) *Expenses are equal to the annualized expense ratio of the share class, multiplied by the average account value over the period, multiplied by 184/365 (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, The Alger Funds II and The Alger ETF Trust, 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.

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 2007	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.	29	Board of Directors, Alger Associates, Inc.; Director of Target Margin Theater
Non-Interested Trustees:				
Charles F. Baird, Jr. (1953)	Trustee since 2007	Managing Partner since 1997, North Castle Partners (private equity securities group).	29	None
Roger P. Cheever (1945)	Trustee since 2007	Retired; Associate Vice President for Development Strategy from 2020 to 2021 and Associate Vice President Principal Gifts from 2008 to 2020, Harvard University.	29	Board of Directors, Alger SICAV Fund
Stephen E. O'Neil (1932)	Trustee since 1988	Retired.	29	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.	29	None
Nathan E. Saint-Amand M.D. (1938)	Trustee since 1988	Medical doctor in private practice since 1970; Member of the Board of the Manhattan Institute (non-profit policy research) since 1988.	29	None

[(1)] *The address of each Trustee is c/o Fred Alger Management, LLC, 100 Pearl Street, 27th Floor, New York, NY 10004.*
[(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 indirectly controls Alger Management and its affiliates.*
[(3)] *"Alger Fund Complex" refers to the Fund and the five other registered investment companies managed by Alger Management and the series therof. 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 five 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, Alger Management; Managing Member, Alger LLC; COO and Secretary, Alger Associates, Inc. and Alger Alternative Holdings, LLC; Director, Alger SICAV, Alger International Holdings, and Alger Dynamic Return Offshore Fund; Vice President, COO, Managing 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, Alger Partners Investors II LLC, and Alger Partners Investors KEIGF; Secretary, 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.; Vice President and Assistant Secretary, Alger Group Holdings, LLC; 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	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 since 2020. Formerly, Associate at Willkie Farr & Gallagher, LLP, from 2016 to 2020.	2020
Sushmita Sahu (1981) AML Compliance Officer	Vice President of Alger Management.	2021

[1] *The address of each officer is c/o Fred Alger Management, LLC, 100 Pearl Street, 27th Floor, New York, NY 10004.*
[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 22, 2021 (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 or the Manager) and the Trust, on behalf of the Fund (the Management Agreement), for an additional one-year period.

In considering the continuation of the Management Agreement, the Board reviewed and considered information provided by the Manager and its representatives at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information the Manager provided in response to a detailed request for information Independent Trustee counsel submitted to the Manager on behalf of the Independent Trustees in connection with the Board's annual contract consideration, as well as information provided in response to a supplemental request from Independent Trustee counsel on behalf of the Independent Trustees. The materials for the Meeting included a presentation and analysis of the Fund and the Manager by FUSE Research Network LLC (FUSE), an independent consulting firm. The Board also spoke directly with FUSE representatives at the Meeting and, among other things, received a description of the methodology FUSE used to select the mutual funds included in the Fund's Peer Universe and Peer Group (as described herein).

The Independent Trustees also received advice from, and met separately with, their Independent Trustee counsel in considering whether to approve the continuation of the Management Agreement. The Independent Trustees also received a memorandum from Independent Trustee counsel discussing their duties in considering the continuation of the Management Agreement. In addition, prior to the Meeting, the chair of the Board, on behalf of the other Independent Trustees, 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 shareholders. The Board did not identify any one factor as dispositive, and each Board member may have attributed different weights to the factors considered.

In the discussions that follow, reference is made to the "median" in the Peer Group and Peer Universe categories. With respect to performance, below median performance represents performance that is worse relative to the median, and above median performance represents performance that is better relative to the median of the funds in the relevant Performance Universe. With respect to expenses, below median fees or expenses represent fees or expenses that are lower relative to the median, and above median fees or expenses represent fees or expenses that are higher relative to the median of the funds in the relevant Expense Group. FUSE information is calculated on a share class basis. References appearing below with regard to the Fund's performance results and comparative fees and expenses generally relate to Class I-2 shares of the Fund (the Fund's oldest share class).

In particular, in approving the continuance of the Management Agreement, the Board considered the following factors:

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 the range of advisory fees charged by the Manager to other funds and accounts, including the Manager's explanation of differences among accounts where relevant. The Board noted that it received information at regular meetings throughout the year regarding the services rendered by the Manager concerning the management of the Fund's affairs and the Manager's role in coordinating and overseeing providers of other services to the Fund.

The Board noted Fred Alger Management's history and expertise in the "growth" style of investment management and management's ongoing efforts to develop strategies and products, and adjust portfolios as necessary, as well as to address the changing investment landscape as evidenced, in part, by the recent launch of a suite of actively-managed non-transparent exchange-traded funds. 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 Fred Alger Management's successful flagship offerings support Fred Alger Management's overall investment capabilities.

The Board considered information provided by the Manager with respect to its business continuity plans, including the continued effectiveness of those plans throughout the ongoing COVID-19 pandemic. The Board further noted the Manager's ongoing engagement with key service providers with respect to their operations and personnel supporting the Fund during the COVID-19 pandemic.

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 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 Fred Alger Management.

Following consideration of such information, each Trustee was satisfied with the nature, extent and quality of services provided by the Manager to the Fund under the Management Agreement.

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 took into account that long-term performance could be impacted by one period of significant outperformance or underperformance.

The Board also reviewed and considered Fund performance reports provided by management 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 the Board throughout the year, representatives of the Manager reviewed with the Trustees the recent and longer-term performance of the Fund and, where appropriate, the measures that the Manager was considering, or had implemented during the past year, to address any performance outliers.

The Trustees concluded that the Fund's performance was acceptable. Further discussion of the Board's considerations with respect to the Fund's performance is set forth below.

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-, 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 five-year period and underperformed for the one-, three- and 10-year periods. In this regard, the Board considered FUSE's commentary that the Fund is being managed consistent with its core growth style, making it modestly more "growthy" than its benchmark index.

Comparative Fees and Expenses

The Board reviewed and considered the contractual management fee (the "Contractual Management Fee") payable by the Fund to the Manager in light of the nature, extent and quality of the services provided by the Manager pursuant to the Management Agreement for the Fund. The Board also reviewed and considered the fee waiver and/or expense reimbursement arrangements for the Fund (if any), including specific share classes thereof, and considered the actual fee rate (after taking any waivers and reimbursements into account) payable by the Fund (the "Actual Management Fee"). Additionally, the Board received and considered information comparing the Fund's Contractual Management Fee, Actual Management Fee and overall expenses, including administrative fees payable to Fred Alger

Management, with those of the funds in the Peer Group provided by FUSE. For purposes of the comparisons below, the FUSE Contractual Management Fee includes administrative fees.

The Board discussed those factors that could contribute to the Fund's Contractual Management Fee, Actual Management Fee or total expenses being above or below the median of the Fund's Peer Group and concluded that the Contractual Management Fee charged to the Fund is reasonable. Further discussion of the Board's considerations with respect to the Fund's comparative fees and expenses is set forth below.

The Board noted that the Contractual Management Fee and total expenses for the Fund were above the median and in the fourth (most expensive) quartile of its Peer Group.

In connection with its consideration of the Fund's fees payable under the Management Agreement, the Board also received information on the Manager's standard institutional account fees for accounts of a similar investment type to the Fund. The Board noted management's explanation that comparisons with such accounts may be of limited relevance given the different structures and regulatory requirements of mutual funds, such as the Fund, versus those accounts and the differences in the levels of services required by the Fund and those accounts. The Board also received information on fees charged to other funds managed by the Manager.

Profitability

The Board reviewed and considered information regarding the profits realized by Fred Alger Management and its affiliates in connection with the operation of the Fund. In this respect, the Board considered overall profitability, including in comparison to certain investment advisory peers, as well as the profits, of Fred Alger Management, in providing investment management and other services to the Fund during the year ended June 30, 2021. The Board also reviewed the profitability methodology and any changes thereto, noting that management applies its methods consistently from year to year.

The Board noted that costs incurred in establishing and maintaining the infrastructure necessary for the mutual fund operations conducted by Fred Alger Management may not be fully reflected in the expenses allocated to the Fund in determining Fred Alger Management's profitability. The Board also noted that the scope of services provided by the Manager, and the related costs of providing those services, had expanded over time as a result of regulatory and other developments.

The Board also considered the extent to which the Manager might derive ancillary benefits from Fund operations, including, for example, through soft dollar arrangements. Based upon its consideration of all these factors, the Trustees concluded that the level of profits realized by Fred Alger Management 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 Fund 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 Fred Alger Management allows it to realize other economies of scale, such as with office space, purchases of technology, and other general business expenses.

The Trustees concluded that for the Fund, to the extent economies of scale may be realized by Fred Alger Management 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

The Board's consideration of the Contractual Management Fee for the Fund also had the benefit of a number of years of reviews of the Management Agreement, during which lengthy discussions took place between the Board and representatives of the Manager. 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 its consideration of the Fund's arrangements in prior years.

Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board, including the Independent Trustees voting separately, unanimously approved the continuation of the Management Agreement for an additional one-year period.

Privacy Policy

U.S. Consumer Privacy Notice **Rev. 06/22/21**

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 1-800-223-3810		

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, Alger Global Focus Fund, and The Alger ETF Trust.

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, Alger Global Focus Fund, and The Alger ETF Trust.
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 directly 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. These agreements 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 (the "Liquidity Rule"), the Fund has adopted and implemented a liquidity risk management program (the "LRMP"), which is reasonably designed to assess and manage the Portfolio's liquidity risk.

The Board met on December 15, 2021 (the "Meeting") to review the LRMP. The Board previously appointed Alger Management as the program administrator for the LRMP and approved an agreement with Ice Data Services ("ICE"), a third party vendor that assists the Portfolio with liquidity classifications required by the Liquidity Rule. Alger Management also previously delegated oversight of the LRMP to the Liquidity Risk Committee (the "Committee"). At the Meeting, the Committee, on behalf of Alger Management, 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, 2020 through November 30, 2021 (the "Review Period").

The Report stated that the Committee assessed the Portfolio's liquidity risk by considering qualitative factors such as the Portfolio'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 the Portfolio's 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 the Portfolio primarily holds investments that are highly liquid. The Report noted that the Committee also performed stress tests on certain Portfolios in light of the market volatility caused by the COVID-19 pandemic, and it was concluded that the Portfolio remained primarily highly liquid.

There were no material changes to the LRMP during the Review Period, except that certain changes were made to the LRMP to add liquidity considerations for certain exchange-traded funds managed by Alger Management. The Report provided to the Board stated that the Committee concluded that based on the operation of the functions, as described in the

Report, during the Review Period the Fund's LRMP is operating effectively and adequate with respect to the Portfolio and has been effectively implemented during the Review Period.

THE ALGER PORTFOLIOS

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Investment Manager

Fred Alger Management, LLC
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New York, NY 10004

Distributor

Fred Alger & Company, LLC
100 Pearl Street, 27th Floor
New York, NY 10004

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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THE ALGER PORTFOLIOS

Alger Balanced Portfolio

ANNUAL REPORT

DECEMBER 31, 2021

Alger is a signatory to the PRI and carbon neutral.

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ALGER BALANCED PORTFOLIO

Dear Shareholders,

The Appeal of Long-Term Fundamentals

Equities of companies with attractive long-term fundamentals fell out of favor with investors during the 12-month reporting period ended December 31, 2021. However, we believe this category of equities now has strong potential for outperformance in 2022. To understand the events of 2021 and why market conditions may change, it's helpful to look at specific market rotations that occurred in each half of the year.

Economic Outlook Leads to Cyclicals

Economically sensitive stocks, such as Energy and Financials, were among the best performing equities in the first half of 2021, as investors clamored for exposure to an accelerating economy. The stage for this change in investor preference was set in late 2020, when favorable COVID-19 vaccine trials sparked optimism about the pandemic faltering and hopes that efforts to curtail the public health emergency would be scaled back or eliminated. This optimism, combined with record levels of fiscal stimulus, caused the economy to start rebounding after lockdowns had previously sparked an acute recession. The optimism strengthened when the Food and Drug Administration eventually granted emergency use authorization of COVID-19 vaccines and by the beginning of 2021, some 2.8 million Americans had received their first dose—a slow start but a start nevertheless. The aggressive vaccination campaign in the subsequent months and continued economic growth sustained investor optimism, which contributed to a selloff in safe-haven Treasury bonds with the 10-year yield rising 53 basis points ("bps") to 1.47% in the first half of 2021.

A few points illustrate the dramatic strength of the economy:

- At the start of 2021, the consensus GDP growth forecast was 4.0%, an estimate that increased 250bps during the first half of 2021 to 6.5%, according to FactSet.
- Unemployment dropped substantially from 6.7% to 3.9% by year-end.

Many equity investors reacted to economic optimism and higher long-term interest rates by rotating into cyclical stocks or companies with earnings growth closely or directly tied to economic expansion. In our view, these companies usually have weak long-term growth potential, are typically found within the value category, and are lower quality; unlike secular growth leaders that use innovation to disrupt their respective industries and generate future earnings growth. The investor preference for these companies can be seen in the in the first half of 2021 when factors such as high debt, low gross margins, high beta, slow long-term growth and low shorthand metrics of valuation, such as price-to-book value, outperformed companies with stronger balance sheets, higher gross margins and stronger forecasted profit growth[1].

Rate Hike Anxiety Leads to Defensiveness

In the second half of 2021, inflation was higher than expected, topping 6%, and the Federal Reserve ("the Fed") signaled a desire to raise rates sooner than anticipated. As a result, yields of shorter term debt increased rapidly. During this period, the 2-year Treasury Bill increased nearly 50bps from 25bps to 73bps after only rising 14bps from to 25bps in the first half of the year. Investors responded by selling stocks perceived as riskier. This was reflected in the market sensitivity factor or Beta underperforming the sector-neutral S&P 1500 Index by 7%, after having outperformed in the first half of the year.

Investors also sought safety in large cap companies, with the small capitalization Russell 2000 Index underperforming the S&P 500 Index by nearly 1,400bps in the second half of the year. This was particularly true in the large cap growth area of the market, which has become highly concentrated– the top ten companies accounted for nearly half (48%) of the Russell 1000 Growth Index at the end of 2021. Indeed, for the 2021 calendar year we estimate that the top ten constituents accounted for 62% of the Russell 1000 Growth Index's performance, thereby outperforming the rest of the Russell 1000 Growth Index by approximately a stunning 2,000bps. Accordingly, the average growth stock did not fare nearly as well as the Russell 1000 Growth Index.

Summing Up 2021

In a word, much of the equity performance last year can be attributed to duration. In our view, investors sought instant gratification from a one-time re-opening of the economy in the first half of the year to hiding in defensive businesses in the second half. Short-duration cash flow stocks, businesses with limited opportunities to invest their earnings that instead distribute their cash to shareholders, did very well at the expense of long-duration cash flow equities that are more likely to reinvest for long-term growth.

Whether it was rising risk-free rates or simply higher risk premiums, many investors adjusted their cash flow modeling by increasing the rate at which they discounted future cash flows back to the present. This process lowered the value of long duration assets most, just as long-term bonds are impacted more by rising rates than short-term bonds.

We saw this dynamic in the largest spread in performance between the small capitalization Russell 2000 Growth Index and the S&P 500 Index in more than 20 years (over 2,700bps). On a more granular basis, within the S&P 1500 Index, there was a very wide performance spread between short-duration characteristics such as shareholder yield, which measures the performance of companies with the highest dividend and share repurchase yields, and long-duration characteristics, such as the long-term growth factor, which measures the performance of those companies with the highest forecasted long-term growth[2].

This rotation to companies with high current shareholder yields was apparent not only in the broad market but within growth stocks as illustrated by the S&P 1500 Growth Index[3], which helps explain why large cap growth, which tends to include more companies with significant current earnings, was relatively strong in 2021, with the Russell 1000 Growth Index generating a 27.6% return compared to the 25.2% return of the Russell 1000 Value Index. On the contrary, small cap growth tends to include younger companies that are aggressively investing in innovation rather than generating earnings or paying dividends.

A Brighter Path Forward

While many smaller growth company stock prices underperformed, their fundamentals did not. During 2021, the next 12-month ("NTM") earnings per share (EPS) estimates for the S&P SmallCap 600 Growth Index increased by 63%, according to FactSet data, easily trouncing the still quite strong 36% increase in S&P 500 Index NTM EPS estimates.

But what happens when price underperformance meets fundamental outperformance? Compressed valuations may ensue. The rotation away from smaller growth equities juxtaposed with strong fundamental growth has resulted in historically attractive valuations in these types of companies. The S&P SmallCap 600 Growth Index valuation is 20% lower than that of the S&P 500 Index, its biggest discount in two decades. Typically, small cap growth equities trade at a premium to large cap stocks based on their superior forecasted fundamental trajectory.

The last time this occurred in February 2001, small cap growth outperformed the broad market by over 50% in the ensuing five years. We maintain that the potential normalization of the small cap growth price-to-equity ratio (P/E) relative to the S&P 500 Index may provide a strong tailwind to small cap performance. Additionally, we believe long-term fundamentals for small cap growth are compelling. Based on FactSet consensus estimates, small cap growth EPS is expected to increase 17.4% over the next two years compared to only 6.9% for the S&P 500 Index.

We believe small cap growth stocks could also benefit from a rally in healthcare and biotech in particular, with the S&P Biotechnology Select Industry Index declining 24% in 2021, drastically underperforming the broad market and the small cap category. This underperformance has resulted in the equity market capitalization to net cash value ratio of the biotech group declining to 3x—its lowest level in 20 years.

Potential for Shifting Sentiment

In our view, valuations, while compelling, may not be enough to drive a shift in sentiment. To that end, we believe it's important to consider that the economy can only re-open once so the strong economic boost in the aftermath of the pandemic is likely to be a one-time event. Eventually, we believe GDP growth resulting from the re-opening is likely to weaken or a COVID-19 variant such as Omicron may weigh upon economic growth. If either occurs, investors may be willing to pay a premium for companies that can grow earnings with innovative products rather than cyclical growth. Additionally, the Federal Reserve's shrinking of its balance sheet and increasing of the fed funds rate could potentially result in lower long-term interest rates, which would support the equity performance of long-duration companies. Ultimately, irrespective of changes in valuation, the potential for high-quality growth companies to generate compound earnings and revenue growth should support strong returns over the long-term, in our view.

The Road Ahead

In closing, since our founding more than 55 years ago, we have believed that companies with strong long-term fundamentals offer the best potential for generating attractive returns for patient investors. The significant rotation we witnessed in 2021 has not changed our strong conviction in using in-depth fundamental research to find secular growth leaders with potential for generating long-term earnings growth. We continue to believe that our investment philosophy is highly appropriate as historically high levels of innovation, including the digital revolution that is disrupting all industries, are providing leading companies with strong opportunities to generate secular growth. A wide range of medical advances, such as genetic sciences, is also providing secular growth. We believe where there is growth in fundamentals, there will be solid returns. Now it is the stock market's turn to catch up.

Portfolio Matters

Alger Balanced Portfolio

The Alger Balanced Portfolio returned 19.12% during the fiscal 12-month period ended December 31, 2021. The equity portion of the Portfolio outperformed the 28.71% return of the S&P 500 Index and the fixed income portion outperformed the -1.75% return of the Bloomberg U.S. Government/Credit Bond Index. Regarding the equity portion of the Portfolio, the largest sector weightings were Information Technology and Financials. The largest sector overweight was Financials and the largest sector underweight was Information Technology.

Contributors to Performance

The Energy and Financials sectors provided the greatest contributions to relative performance. Regarding individual positions, Microsoft Corp.; Apple Inc.; Alphabet, Inc., Cl. A; Alphabet, Inc., Cl. C; and Home Depot, Inc. were among the top contributors to absolute performance. Microsoft is a Positive Dynamic Change beneficiary of corporate America's transformative digitization. Microsoft's enterprise cloud product, Azure, is rapidly growing and accruing market share, which has been a primary driver of the company's higher share price. The company's operating execution has enabled notable margin expansion that has also helped to increase forward earnings estimates. Microsoft's subscription-based software offerings and cloud computing services have not been entirely immune to the pandemic-related economic slowdown but are resilient because they enhance customers' growth initiatives and help them to reduce costs. Additionally, we believe investors appreciate Microsoft's strong free cash flow generation and its return of cash to shareholders in the form of dividends and share repurchases.

Detractors from Performance

Information Technology and Consumer Discretionary were among the sectors that detracted from relative performance. Regarding individual positions, Verizon Communications, Inc.; Americold Realty Trust; Southern Copper Corp.; Medtronic Plc; and Viatris, Inc. were among the top detractors from absolute performance.

Medtronic develops and markets medical devices for the cardiac, diabetes, and minimally invasive procedure markets. We were enthused by the prospects of cardiac share gains due to Medtronic's innovative Intrepid (transcatheter mitral valve replacement) and Harpoon (damaged mitral valve repair) programs. Additionally, Boston Scientific's cardiac missteps have caused that competitor to delay and withdraw offerings. Additionally, Medtronic is restructuring to focus on core businesses that could potentially enhance its profitability. The Medtronic position detracted from performance due to delayed product development timelines that diminished the company's near-and long-term growth prospects. Medtronic also lowered current year revenue growth guidance and disclosed that it received a warning letter from the FDA regarding inadequacies at the company's Northridge diabetes facility for risk assessment, corrective and preventive action, complaint handling, device recalls, and reporting of adverse events.

At the end of the reporting period, the fixed income portion of the Portfolio consisted of 20 corporate bonds and represented 28% of non-cash Portfolio assets. The Bloomberg U.S. Corporate Bond Index entered the year with yields at five-year lows and spreads modestly above five-year lows. Yields backed up to early summer 2020 levels in the first quarter with the continued reopening of the economy from the COVID-19 pandemic and the successful vaccine rollout. Yields fell back toward lows in the early summer as growth expectations eased with the emergence of the Delta variant. Yields then moved back up to highs through the rest of the year with heightened inflation concerns and more aggressive signaling on tightening from the Federal Reserve. Spreads tightened through the end of the second quarter, reflecting the improved environment for credit with the economy reopening, then moved back to levels from the beginning of the year with the increased inflation concerns and Fed signaling. As a result, total returns for corporates were slightly negative for the year.

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

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[1] *Source: Cornerstone Macro. Factor performance relative to the S&P 1500 Index, which is sector neutral and is calculated by taking the relative performance of the top quintile of stocks against the bottom quintile of stocks for each factor. The constituents in the quintiles are rebalanced monthly. High debt is based on the ratio of net debt (debt minus cash) and earnings. Gross margin is based on revenue and the cost of goods sold. Beta is based on the monthly stock return and the monthly market return over the past 5 years. Price to book is the ratio of a company's market valuation to its book value. For more details, see the Alger paper "The Growing Appeal of Long-Term Fundamentals."*

[2] *Source: Cornerstone Macro. Factor performance relative to the S&P 1500 Index, which is sector neutral and is calculated by taking the relative performance of the top quintile of stocks against the bottom quintile of stocks for each factor. The constituents in the quintiles are rebalanced monthly. Shareholder yield is the total value of stock repurchases by a company minus stock sold by the company. Dividends are then added to the result. The result is then divided by a company's total market value. The long-term growth factor is based on 5-Year earnings per share growth. For more details, see the Alger paper "The Growing Appeal of Long-Term Fundamentals."*

[3] *Source: Cornerstone Macro. Factor performance relative to the S&P 1500 Growth Index, which is sector neutral and is calculated by taking the relative performance of the top quintile of stocks against the bottom quintile of stocks for each factor. The constituents in the quintiles are rebalanced monthly. Current shareholder yield is the total value of stock repurchases by a company minus stock sold by the company. Dividends are then added to the result. The result is then divided by a company's total market value. For more details, see the Alger paper "The Growing Appeal of Long-Term Fundamentals."*

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, 2021. 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. 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 investments. 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 may be invested in securities of companies in related sectors, and may be similarly affected by economic, political, or market events and conditions and may be more vulnerable to unfavorable sector developments.

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 the prospectus and summary prospectus carefully before investing.

Fred Alger & Company, LLC, Distributor.

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

Definitions:

- Earnings per share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock.
- The price-to-book ratio is the ratio of a company's market price to its book value.

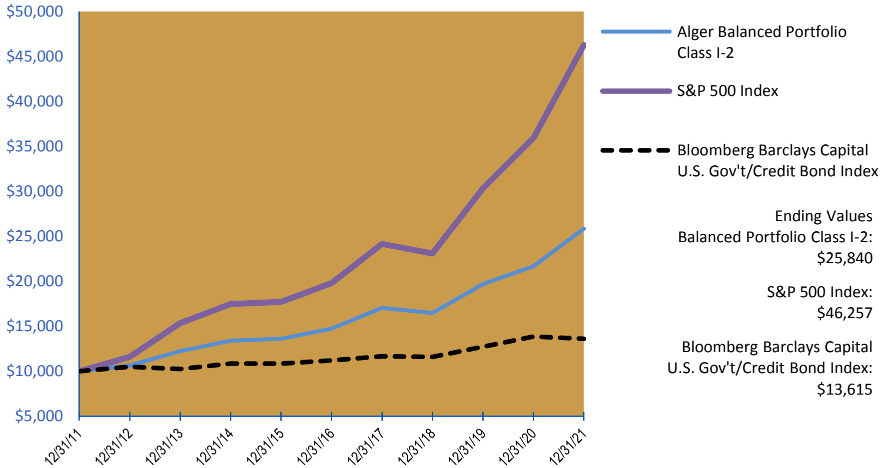
- Price-to-earnings is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS).
- Free cash flow is the cash a company generates after taking into consideration cash outflows that support its operations and maintain its capital assets.
- EBITDA (earnings before interest, taxes, depreciation, and amortization) is a commonly used accounting measure of a company's overall financial performance. COGS (cost of goods sold) is generally defined as the direct costs attributable to the production of the goods sold by a company.
- FactSet provides software and market data to financial professionals. FactSet is an independent source, which Alger believes to be a reliable source. Alger, however, makes no representation that it is complete or accurate.
- Beta measures a portfolio's sensitivity to market movements relative to a particular index; a portfolio with a beta of 1.00 would be expected to have returns equal to such index.
- The S&P 1500 Index is an unmanaged index that covers approximately 90% of the U.S. market capitalization.
- The S&P 1500 Growth Index measure the performance of growth equities as defined by sales growth, the ratio of earnings change to price, and momentum.
- The Russell 2000 Index is a small cap stock market index of the bottom 2,000 stocks in the Russell 3000 Index.
- The S&P 500 tracks the performance of 500 large companies listed on stock exchanges in the U.S.
- The Russell 1000 Growth Index is an unmanaged index designed to measure the performance of the largest 1000 companies in the Russell 3000 Index with higher price to book ratios and higher forecasted growth values.
- The Russell 2000 Growth Index measures the performance of the small cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher growth earning potential as defined by Russell's leading style methodology.
- The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price to book ratios and lower forecasted growth values.
- The S&P SmallCap 600 Growth Index measures growth stocks using three factors: sales growth, the ratio of earnings change to price, and momentum. Constituents are drawn from the S&P 600.
- S&P Select Industry Indices are designed to measure the performance of narrow GICS® sub-industries. The S&P Biotechnology Select Industry Index comprises stocks in the S&P Total Market Index that are classified in the GICS biotechnology sub-industry.
- 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 Bloomberg U.S. Government/Credit Bond Index is an index that measures performance and government and corporate bonds.

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

— 10 years ended 12/31/21



The chart above illustrates the change in value of a hypothetical $10,000 investment made in Alger Balanced Portfolio Class I-2 shares, 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, 2021. 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. Investors cannot invest directly in any index. Index performance does not reflect deduction for fees, expenses, or taxes.

PERFORMANCE COMPARISON AS OF 12/31/21

AVERAGE ANNUAL TOTAL RETURNS

	1 YEAR	5 YEARS	10 YEARS	Since 9/5/1989
Class I-2 (Inception 9/5/89)	19.12%	11.86%	9.96%	8.12%
S&P 500 Index	28.71%	18.47%	16.55%	10.69%
Bloomberg Barclays Capital U.S. Gov't/Credit Bond Index	(1.75)%	3.99%	3.13%	5.87%

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 quarter 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, 2021 (Unaudited)

SECTORS/SECURITY TYPES	Alger Balanced Portfolio
Communication Services	8.4%
Consumer Discretionary	5.6
Consumer Staples	4.7
Energy	2.3
Financials	9.4
Healthcare	8.9
Industrials	4.2
Information Technology	20.5
Materials	1.4
Real Estate	2.7
Utilities	0.9
Total Equity Securities	69.0
Corporate Bonds	26.4
Total Debt Securities	26.4
Short-Term Investments and Net Other Assets	4.6
	100.0%

† *Based on net assets for the Portfolio.*

COMMON STOCKS—65.6%	SHARES		VALUE
AEROSPACE & DEFENSE—1.0%			
General Dynamics Corp.	1,093	$	227,858
Raytheon Technologies Corp.	2,506		215,666
TransDigm Group, Inc.*	283		180,067
			623,591
ASSET MANAGEMENT & CUSTODY BANKS—2.6%			
BlackRock, Inc., Cl. A	929		850,556
Blackstone, Inc.	4,367		565,046
The Carlyle Group, Inc.	4,029		221,192
			1,636,794
AUTOMOBILE MANUFACTURERS—0.2%			
General Motors Co.*	2,124		**124,530**
BIOTECHNOLOGY—1.7%			
AbbVie, Inc.	5,506		745,512
Amgen, Inc.	731		164,453
Gilead Sciences, Inc.	2,454		178,185
			1,088,150
BROADCASTING—0.3%			
ViacomCBS, Inc., Cl. B	5,636		**170,095**
BUILDING PRODUCTS—0.5%			
Johnson Controls International PLC	3,617		**294,098**
CABLE & SATELLITE—0.8%			
Comcast Corp., Cl. A	10,272		**516,990**
COMMODITY CHEMICALS—0.2%			
Dow, Inc.	2,203		**124,954**
COMMUNICATIONS EQUIPMENT—0.9%			
Cisco Systems, Inc.	8,623		**546,440**
CONSUMER ELECTRONICS—0.4%			
Garmin Ltd.	1,685		**229,446**
COPPER—0.3%			
Southern Copper Corp.	3,046		**187,969**
DATA PROCESSING & OUTSOURCED SERVICES—0.9%			
Visa, Inc., Cl. A	2,698		**584,684**
DIVERSIFIED BANKS—3.5%			
Bank of America Corp.	14,615		650,221
JPMorgan Chase & Co.	9,586		1,517,943
			2,168,164
ELECTRIC UTILITIES—0.6%			
NextEra Energy, Inc.	3,710		**346,366**
ELECTRICAL COMPONENTS & EQUIPMENT—0.9%			
Eaton Corp. PLC	3,127		**540,408**
FINANCIAL EXCHANGES & DATA—0.8%			
CME Group, Inc., Cl. A	2,302		**525,915**
FOOD DISTRIBUTORS—0.4%			
Sysco Corp.	2,852		**224,025**
GENERAL MERCHANDISE STORES—0.3%			
Target Corp.	851		**196,955**
GOLD—0.2%			
Newmont Corp.	1,763		**109,341**

COMMON STOCKS—65.6% (CONT.)	SHARES		VALUE
HEALTHCARE EQUIPMENT—0.5%			
Medtronic PLC	2,865	**$**	**296,384**
HEALTHCARE SERVICES—0.9%			
CVS Health Corp.	5,659		**583,782**
HOME IMPROVEMENT RETAIL—2.1%			
The Home Depot, Inc.	3,153		**1,308,527**
HOUSEHOLD PRODUCTS—1.1%			
The Procter & Gamble Co.	4,258		**696,524**
HYPERMARKETS & SUPER CENTERS—0.6%			
Walmart, Inc.	2,376		**343,783**
INDUSTRIAL CONGLOMERATES—1.3%			
Honeywell International, Inc.	3,828		**798,176**
INDUSTRIAL GASES—0.7%			
Air Products & Chemicals, Inc.	1,507		**458,520**
INTEGRATED OIL & GAS—1.8%			
Chevron Corp.	4,514		529,718
Exxon Mobil Corp.	5,233		320,207
TotalEnergies SE#	4,927		243,690
			1,093,615
INTEGRATED TELECOMMUNICATION SERVICES—1.2%			
AT&T, Inc.	8,043		197,858
Verizon Communications, Inc.	10,096		524,588
			722,446
INTERACTIVE MEDIA & SERVICES—6.1%			
Alphabet, Inc., Cl. A*	552		1,599,166
Alphabet, Inc., Cl. C*	516		1,493,092
Meta Platforms, Inc., Cl. A*	2,168		729,207
			3,821,465
INTERNET & DIRECT MARKETING RETAIL—1.6%			
Amazon.com, Inc.*	290		**966,959**
INVESTMENT BANKING & BROKERAGE—1.8%			
Morgan Stanley	11,488		**1,127,662**
MANAGED HEALTHCARE—1.8%			
UnitedHealth Group, Inc.	2,238		**1,123,789**
MULTI-LINE INSURANCE—0.3%			
The Hartford Financial Services Group, Inc.	2,582		**178,261**
MULTI-UTILITIES—0.3%			
Sempra Energy	1,436		**189,954**
OIL & GAS STORAGE & TRANSPORTATION—0.2%			
ONEOK, Inc.	2,628		**154,421**

COMMON STOCKS—65.6% (CONT.)	SHARES		VALUE
PHARMACEUTICALS—4.0%			
AstraZeneca PLC#	3,900	$	227,175
Bristol-Myers Squibb Co.	3,475		216,666
Eli Lilly & Co.	1,173		324,006
GlaxoSmithKline PLC#	4,905		216,311
Johnson & Johnson	4,027		688,899
Merck & Co., Inc.	2,724		208,767
Novartis AG#	2,108		184,387
Pfizer, Inc.	6,956		410,752
			2,476,963
RAILROADS—0.5%			
Union Pacific Corp.	1,276		**321,463**
RESTAURANTS—1.0%			
McDonald's Corp.	1,234		330,799
Starbucks Corp.	2,764		323,305
			654,104
SEMICONDUCTOR EQUIPMENT—1.8%			
KLA Corp.	2,600		**1,118,286**
SEMICONDUCTORS—3.7%			
Broadcom, Inc.	1,602		1,065,987
QUALCOMM, Inc.	4,759		870,278
Taiwan Semiconductor Manufacturing Co., Ltd.#	2,951		355,035
			2,291,300
SOFT DRINKS—1.9%			
PepsiCo, Inc.	3,863		671,042
The Coca-Cola Co.	8,784		520,100
			1,191,142
SYSTEMS SOFTWARE—7.1%			
Microsoft Corp.	13,076		**4,397,720**
TECHNOLOGY HARDWARE STORAGE & PERIPHERALS—6.1%			
Apple, Inc.	21,539		**3,824,680**
TOBACCO—0.7%			
Altria Group, Inc.	5,538		262,446
Philip Morris International, Inc.	2,015		191,425
			453,871
TOTAL COMMON STOCKS			
(Cost $17,019,990)			**40,832,712**

MASTER LIMITED PARTNERSHIP—0.3%	SHARES	VALUE
OIL & GAS STORAGE & TRANSPORTATION—0.3%		
Cheniere Energy Partners LP	4,434	**187,292**
(Cost $147,024)		**187,292**

REAL ESTATE INVESTMENT TRUST—3.1%	SHARES	VALUE
HEALTHCARE—0.4%		
Welltower, Inc.	2,974	**255,080**
INDUSTRIAL—0.2%		
Prologis, Inc.	642	**108,087**
MORTGAGE—0.4%		
Blackstone Mortgage Trust, Inc., Cl. A	8,983	**275,059**

REAL ESTATE INVESTMENT TRUST—3.1% (CONT.)	SHARES		VALUE
RETAIL—0.6%			
Simon Property Group, Inc.	2,371	$	**378,815**
SPECIALIZED—1.5%			
Crown Castle International Corp.	3,235		675,274
Lamar Advertising Co., Cl. A	2,052		248,908
			924,182
TOTAL REAL ESTATE INVESTMENT TRUST			
(Cost $1,197,622)			**1,941,223**

CORPORATE BONDS—26.4%	PRINCIPAL AMOUNT	VALUE
AGRICULTURAL & FARM MACHINERY—2.8%		
John Deere Capital Corp., 2.75%, 3/15/22	1,750,000	**1,758,626**
APPLICATION SOFTWARE—1.6%		
salesforce.com, Inc., 0.63%, 7/15/24	1,000,000	**991,453**
AUTOMOBILE MANUFACTURERS—1.6%		
General Motors Financial Co., Inc., 1.5%, 6/10/26	500,000	492,706
Toyota Motor Credit Corp., 0.45%, 7/22/22	500,000	500,144
		992,850
BIOTECHNOLOGY—0.9%		
AbbVie, Inc., 3.6%, 5/14/25	500,000	**532,270**
DATA PROCESSING & OUTSOURCED SERVICES—0.8%		
PayPal Holdings, Inc., 1.35%, 6/1/23	500,000	**504,269**
DIVERSIFIED BANKS—2.5%		
Bank of America Corp., variable, 5/28/24	500,000	500,252
Wells Fargo & Co., 3.3%, 9/9/24	1,000,000	1,052,407
		1,552,659
ELECTRIC UTILITIES—0.8%		
NextEra Energy Capital Holdings, Inc., variable, 2/22/23	500,000	**499,280**
ELECTRICAL COMPONENTS & EQUIPMENT—0.8%		
Rockwell Automation, Inc., 0.35%, 8/15/23	500,000	**496,928**
INVESTMENT BANKING & BROKERAGE—0.8%		
The Goldman Sachs Group, Inc., 0.48%, 1/27/23	500,000	**498,881**
LIFE SCIENCES TOOLS & SERVICES—0.8%		
Thermo Fisher Scientific, Inc., 0.8%, 10/18/23	500,000	**498,508**
PACKAGED FOODS & MEATS—4.1%		
Campbell Soup Co., 2.5%, 8/2/22	2,000,000	2,021,594
Nestle Holdings, Inc., 0.61%, 9/14/24	550,000	542,562
		2,564,156
SEMICONDUCTOR EQUIPMENT—0.9%		
KLA Corp., 4.65%, 11/1/24	500,000	**542,513**
SEMICONDUCTORS—3.3%		
Altera Corp., 4.1%, 11/15/23	1,500,000	1,587,241
NVIDIA Corp., 0.31%, 6/15/23	500,000	496,577
		2,083,818
SPECIALIZED—2.0%		
Crown Castle International Corp., 3.2%, 9/1/24	1,200,000	**1,253,549**
SYSTEMS SOFTWARE—0.8%		
VMware, Inc., 0.6%, 8/15/23	500,000	**496,723**

CORPORATE BONDS—26.4% (CONT.)	PRINCIPAL AMOUNT		VALUE
TECHNOLOGY HARDWARE STORAGE & PERIPHERALS—1.9%			
Apple, Inc., 1.13%, 5/11/25	1,200,000	$	**1,197,674**
TOTAL CORPORATE BONDS			
(Cost $16,348,513)			**16,464,157**
Total Investments			
(Cost $34,713,149)	95.4%	$	**59,425,384**
Unaffiliated Securities (Cost $34,713,149)			59,425,384
Other Assets in Excess of Liabilities	4.6%		2,895,529
NET ASSETS	100.0%	$	**62,320,913**

\# *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	$	59,425,384
Cash and cash equivalents		2,541,270
Receivable for investment securities sold		585,157
Receivable for shares of beneficial interest sold		12,420
Dividends and interest receivable		131,629
Prepaid expenses		19,574
Total Assets		62,715,434
LIABILITIES:		
Payable for investment securities purchased		300,401
Payable for shares of beneficial interest redeemed		1,109
Accrued investment advisory fees		37,677
Accrued shareholder administrative fees		531
Accrued administrative fees		1,459
Accrued custodian fees		1,628
Accrued transfer agent fees		663
Accrued printing fees		28,009
Accrued professional fees		6,961
Accrued fund accounting fees		14,799
Accrued other expenses		1,284
Total Liabilities		394,521
NET ASSETS	**$**	**62,320,913**
NET ASSETS CONSIST OF:		
Paid in capital (par value of $.001 per share)		36,350,439
Distributable earnings		25,970,474
NET ASSETS	**$**	**62,320,913**
* Identified cost	$	34,713,149[(a)]

See Notes to Financial Statements.

[(a)] At December 31, 2021, the net unrealized appreciation on investments, based on cost for federal income tax purposes of $34,556,604, amounted to $24,868,780, which consisted of aggregate gross unrealized appreciation of $25,148,628 and aggregate gross unrealized depreciation of $279,848.

		Alger Balanced Portfolio
NET ASSETS BY CLASS:		
Class I-2	$	62,320,913
SHARES OF BENEFICIAL INTEREST OUTSTANDING — NOTE 6:		
Class I-2		3,181,095
NET ASSET VALUE PER SHARE:		
Class I-2	$	19.59

See Notes to Financial Statements.

ALGER BALANCED PORTFOLIO
Statement of Operations for the year ended December 31, 2021

		Alger Balanced Portfolio
INCOME:		
Dividends (net of foreign withholding taxes*)	$	795,418
Interest		326,758
Total Income		1,122,176
EXPENSES:		
Investment advisory fees — Note 3(a)		403,961
Shareholder administrative fees — Note 3(f)		5,690
Administration fees — Note 3(b)		15,646
Custodian fees		4,603
Transfer agent fees — Note 3(f)		3,010
Printing fees		71,538
Professional fees		35,625
Registration fees		17,751
Trustee fees — Note 3(g)		1,339
Fund accounting fees		60,516
Other expenses		1,371
Total Expenses		621,050
NET INVESTMENT INCOME		501,126
REALIZED AND UNREALIZED GAIN ON INVESTMENTS:		
Net realized gain on unaffiliated investments		2,693,011
Net change in unrealized appreciation on unaffiliated investments		6,791,869
Net realized and unrealized gain on investments		9,484,880
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$**	**9,986,006**
* Foreign withholding taxes	$	4,266

See Notes to Financial Statements.

	Alger Balanced Portfolio	
	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
Net investment income	$ 501,126	$ 644,317
Net realized gain on investments	2,693,011	209,801
Net change in unrealized appreciation on investments	6,791,869	3,965,002
Net increase in net assets resulting from operations	9,986,006	4,819,120
Dividends and distributions to shareholders:		
Class I-2	(2,215,274)	(802,995)
Total dividends and distributions to shareholders	(2,215,274)	(802,995)
Increase (decrease) from shares of beneficial interest transactions — Note 6:		
Class I-2	2,244,761	(1,185,718)
Total increase	10,015,493	2,830,407
Net Assets:		
Beginning of period	52,305,420	49,475,013
END OF PERIOD	**$ 62,320,913**	**$ 52,305,420**

See Notes to Financial Statements.

Alger Balanced Portfolio

	Class I-2				
	Year ended 12/31/2021	Year ended 12/31/2020	Year ended 12/31/2019	Year ended 12/31/2018	Year ended 12/31/2017
Net asset value, beginning of period	$ 17.05	$ 15.71	$ 13.67	$ 17.20	$ 15.32
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income[(i)]	0.16	0.21	0.25	0.28	0.29
Net realized and unrealized gain (loss) on investments	3.09	1.39	2.41	(0.84)	2.08
Total from investment operations	3.25	1.60	2.66	(0.56)	2.37
Dividends from net investment income	(0.16)	(0.20)	(0.23)	(0.72)	(0.49)
Distributions from net realized gains	(0.55)	(0.06)	(0.39)	(2.25)	–
Net asset value, end of period	$ 19.59	$ 17.05	$ 15.71	$ 13.67	$ 17.20
Total return	19.12%	10.23%	19.50%	(3.32)%	15.44%
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of period (000's omitted)	$ 62,321	$ 52,305	$ 49,475	$ 42,037	$ 47,501
Ratio of net expenses to average net assets	1.09%	1.07%	1.10%	1.14%	0.96%
Ratio of net investment income to average net assets	0.88%	1.34%	1.67%	1.61%	1.77%
Portfolio turnover rate	11.10%	15.41%	5.71%	5.04%	10.89%

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.

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 meetings are held 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.

In December 2020, the Securities and Exchange Commission adopted Rule 2a-5, Good Faith Determinations of Fair Value, under the 1940 Act, which is intended to address valuation practices and the role of the board of directors with respect to the fair value of the investments of a registered investment company. Among other things, Rule 2a-5 will permit the Portfolio's Board to designate the Portfolio's primary investment adviser to perform the Portfolio's fair value determinations, which will be subject to the Board's oversight and certain reporting and other requirements intended to ensure that the Board receives the information it needs to oversee the investment adviser's fair value determinations. Compliance with Rule 2a-5 will not be required until September 2022. The Adviser continues to review Rule 2a-5 and its impact on the Adviser's and the Portfolio's valuation policies and related practices.

(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 ("BBH" or the "Custodian"), in an amount equal to at least 102% of the current market value of U.S. loaned securities or 105% 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, 2021.

(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 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 2018-2021. 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.

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, 2021, 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, 2021, there were no payments to Fred Alger & Company, LLC, the Fund's distributor and affiliate of Alger Management

(the "Distributor" or "Alger LLC"), 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 in the Alger Fund Complex. If the Portfolio has borrowed from other funds in the Alger Fund Complex 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 in the Alger Fund Complex. 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, 2021.

(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, 2021.

(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 2021, 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 $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 term "Alger Fund Complex" refers to the Fund, The Alger Institutional Funds, The Alger Funds II, The Alger Funds, Alger Global Focus Fund and The Alger ETF Trust, each of which is a registered investment company managed by Alger Management. The Independent Trustee appointed as Chairman of the Board 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 based on net assets by each fund in the Alger Fund Complex.

On December 15, 2021, the Board approved the following changes in Trustee compensation. Effective January 1, 2022, each Independent Trustee receives a fee of $156,000 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 receives additional compensation of $22,000 per annum paid pro rata based on net assets by each fund in the Alger Fund Complex. Additionally, each member of the Audit Committee receives a fee of $13,000 per annum, paid pro rata based on net assets by each fund in the Alger Fund Complex. Effective January 1, 2022, the Board adopted a policy that requires the trustees to receive a minimum of 10% of their annual compensation in shares of funds 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, an affiliate of Alger Management. There were no interfund trades during the year ended December 31, 2021.

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, 2021, were as follows:

	PURCHASES	SALES
Alger Balanced Portfolio	$10,110,953	$5,992,316

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, 2021, 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, 2021 and the year ended December 31, 2020, transactions of shares of beneficial interest were as follows:

	FOR THE YEAR ENDED DECEMBER 31, 2021		FOR THE YEAR ENDED DECEMBER 31, 2020	
	SHARES	AMOUNT	SHARES	AMOUNT
Alger Balanced Portfolio				
Class I-2:				
Shares sold	674,212	$ 12,942,492	283,838	$ 4,474,631
Dividends reinvested	113,896	2,215,274	47,571	802,995
Shares redeemed	(675,025)	(12,913,005)	(411,858)	(6,463,344)
Net increase (decrease)	**113,083**	**$ 2,244,761**	**(80,449)**	**$ (1,185,718)**

NOTE 7 — Income Tax Information:

The tax character of distributions paid during the year ended December 31, 2021 and the year ended December 31, 2020 was as follows:

Alger Balanced Portfolio	FOR THE YEAR ENDED DECEMBER 31, 2021	FOR THE YEAR ENDED DECEMBER 31, 2020
Distributions paid from:		
Ordinary Income	$ 667,651	$ 622,124
Long-term capital gain	1,547,623	180,871
Total distributions paid	**$ 2,215,274**	**$ 802,995**

As of December 31, 2021, the components of accumulated earnings (losses) on a tax basis were as follows:

Alger Balanced Portfolio	
Undistributed ordinary income	$ —
Undistributed long-term gains	1,101,694
Net accumulated earnings	1,101,694
Capital loss carryforwards	—
Net unrealized appreciation	24,868,780
Total accumulated earnings	$ 25,970,474

At December 31, 2021, the Portfolio, for federal income tax purposes, had no capital loss carryforwards and no capital loss carryforwards were utilized in 2021.

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 the return of capital from real estate investment trust investments.

The Portfolio accrues tax on unrealized gains in foreign jurisdictions that impose a foreign capital tax.

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, 2021:

Alger Balanced Portfolio	
Distributable earnings	$ 16,474
Paid in Capital	$ (16,474)

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, 2021, 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	$ 5,230,996	$ 5,230,996	$ —	$ —
Consumer Discretionary	3,480,521	3,480,521	—	—
Consumer Staples	2,909,345	2,909,345	—	—
Energy	1,248,036	1,248,036	—	—
Financials	5,636,796	5,636,796	—	—
Healthcare	5,569,068	5,569,068	—	—
Industrials	2,577,736	2,577,736	—	—
Information Technology	12,763,110	12,763,110	—	—
Materials	880,784	880,784	—	—
Utilities	536,320	536,320	—	—
TOTAL COMMON STOCKS	**$ 40,832,712**	**$ 40,832,712**	**$ —**	**$ —**
MASTER LIMITED PARTNERSHIP				
Energy	187,292	187,292	—	—
REAL ESTATE INVESTMENT TRUST				
Financials	275,059	275,059	—	—
Real Estate	1,666,164	1,666,164	—	—
TOTAL REAL ESTATE INVESTMENT TRUST	**$ 1,941,223**	**$ 1,941,223**	**$ —**	**$ —**
CORPORATE BONDS				
Consumer Discretionary	992,850	—	992,850	—
Consumer Staples	2,564,156	—	2,564,156	—
Financials	2,051,540	—	2,051,540	—
Healthcare	1,030,778	—	1,030,778	—
Industrials	2,255,554	—	2,255,554	—
Information Technology	5,816,450	—	5,816,450	—
Real Estate	1,253,549	—	1,253,549	—
Utilities	499,280	—	499,280	—
TOTAL CORPORATE BONDS	**$ 16,464,157**	**$ —**	**$ 16,464,157**	**$ —**
TOTAL INVESTMENTS IN SECURITIES	**$ 59,425,384**	**$ 42,961,227**	**$ 16,464,157**	**$ —**

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, 2021, such assets were categorized within the ASC 820 disclosure hierarchy as follows:

	TOTAL FUND	LEVEL 1	LEVEL 2	LEVEL 3
Cash and cash equivalents	$ 2,541,270	$ —	$ 2,541,270	$ —

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, 2021.

NOTE 10 — Risk Disclosures:

Investing in the stock market involves 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. 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. 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 investments. 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 may be invested in securities of companies in related sectors, and may be similarly affected by economic, political, or market events and conditions and may be more vulnerable to unfavorable sector developments.

NOTE 11 — Subsequent Events:

Management of the Portfolio has evaluated events that have occurred subsequent to December 31, 2021, through the issuance date of the Financial Statements. The following items were noted which require recognition and/or disclosure:

On September 7, 2021, BBH, the Portfolio's custodian, announced that it had entered into an agreement with State Street Bank and Trust Company ("State Street") to sell BBH's Investor Services business to State Street (the "Transaction"). The Transaction is subject to certain closing conditions, including regulatory and customary approvals, and it is expected to be consummated during the second calendar quarter of 2022 (the "Closing Date"). Consequently, as a result of the Transaction, it is expected that State Street will replace BBH as the Portfolio's custodian effective as of the Closing Date.

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, 2021, 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, 2021, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

Deloitte & Touche LLP
New York, New York
February 25, 2022

We have served as the auditor of one or more investment companies within the Alger 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, 2021 and ending December 31, 2021 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, 2021" 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, 2021	Ending Account Value December 31, 2021	Expenses Paid During the Six Months Ended December 31, 2021[(a)]	Annualized Expense Ratio For the Six Months Ended December 31, 2021[(b)]
Alger Balanced Portfolio					
Class I-2	Actual	$ 1,000.00	$ 1,083.20	$ 5.72	1.09%
	Hypothetical[(c)]	1,000.00	1,019.71	5.55	1.09

(a) *Expenses are equal to the annualized expense ratio of the share class, multiplied by the average account value over the period, multiplied by 184/365 (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, The Alger Funds II and The Alger ETF Trust, 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.

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 2007	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.	29	Board of Directors, Alger Associates, Inc.; Director of Target Margin Theater
Non-Interested Trustees:				
Charles F. Baird, Jr. (1953)	Trustee since 2007	Managing Partner since 1997, North Castle Partners (private equity securities group).	29	None
Roger P. Cheever (1945)	Trustee since 2007	Retired; Associate Vice President for Development Strategy from 2020 to 2021 and Associate Vice President Principal Gifts from 2008 to 2020, Harvard University.	29	Board of Directors, Alger SICAV Fund
Stephen E. O'Neil (1932)	Trustee since 1988	Retired.	29	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.	29	None
Nathan E. Saint-Amand M.D. (1938)	Trustee since 1988	Medical doctor in private practice since 1970; Member of the Board of the Manhattan Institute (non-profit policy research) since 1988.	29	None

(1) The address of each Trustee is c/o Fred Alger Management, LLC, 100 Pearl Street, 27th Floor, New York, NY 10004.
(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 indirectly controls Alger Management and its affiliates.
(3) "Alger Fund Complex" refers to the Fund and the five other registered investment companies managed by Alger Management and the series therof. 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 five 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, Alger Management; Managing Member, Alger LLC; COO and Secretary, Alger Associates, Inc. and Alger Alternative Holdings, LLC; Director, Alger SICAV, Alger International Holdings, and Alger Dynamic Return Offshore Fund; Vice President, COO, Managing 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, Alger Partners Investors II LLC, and Alger Partners Investors KEIGF; Secretary, 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.; Vice President and Assistant Secretary, Alger Group Holdings, LLC; 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	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 since 2020. Formerly, Associate at Willkie Farr & Gallagher, LLP, from 2016 to 2020.	2020
Sushmita Sahu (1981) AML Compliance Officer	Vice President of Alger Management.	2021

[1] *The address of each officer is c/o Fred Alger Management, LLC, 100 Pearl Street, 27th Floor, New York, NY 10004.*
[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 22, 2021 (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 or the Manager) and the Trust, on behalf of the Fund (the Management Agreement), for an additional one-year period.

In considering the continuation of the Management Agreement, the Board reviewed and considered information provided by the Manager and its representatives at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information the Manager provided in response to a detailed request for information Independent Trustee counsel submitted to the Manager on behalf of the Independent Trustees in connection with the Board's annual contract consideration, as well as information provided in response to a supplemental request from Independent Trustee counsel on behalf of the Independent Trustees. The materials for the Meeting included a presentation and analysis of the Fund and the Manager by FUSE Research Network LLC (FUSE), an independent consulting firm. The Board also spoke directly with FUSE representatives at the Meeting and, among other things, received a description of the methodology FUSE used to select the mutual funds included in the Fund's Peer Universe and Peer Group (as described herein).

The Independent Trustees also received advice from, and met separately with, their Independent Trustee counsel in considering whether to approve the continuation of the Management Agreement. The Independent Trustees also received a memorandum from Independent Trustee counsel discussing their duties in considering the continuation of the Management Agreement. In addition, prior to the Meeting, the chair of the Board, on behalf of the other Independent Trustees, 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 shareholders. The Board did not identify any one factor as dispositive, and each Board member may have attributed different weights to the factors considered.

In the discussions that follow, reference is made to the "median" in the Peer Group and Peer Universe categories. With respect to performance, below median performance represents performance that is worse relative to the median, and above median performance represents performance that is better relative to the median of the funds in the relevant Performance Universe. With respect to expenses, below median fees or expenses represent fees or expenses that are lower relative to the median, and above median fees or expenses represent fees or expenses that are higher relative to the median of the funds in the relevant Expense Group. FUSE information is calculated on a share class basis.

In particular, in approving the continuance of the Management Agreement, the Board considered the following factors:

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 the range of advisory fees charged by the Manager to other funds and accounts, including the Manager's explanation of differences among accounts where relevant. The Board noted that it received information at regular meetings throughout the year regarding the services rendered by the Manager concerning the management of the Fund's affairs and the Manager's role in coordinating and overseeing providers of other services to the Fund.

The Board noted Fred Alger Management's history and expertise in the "growth" style of investment management and management's ongoing efforts to develop strategies and products, and adjust portfolios as necessary, as well as to address the changing investment landscape as evidenced, in part, by the recent launch of a suite of actively-managed non-transparent exchange-traded funds. 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 Fred Alger Management's successful flagship offerings support Fred Alger Management's overall investment capabilities.

The Board considered information provided by the Manager with respect to its business continuity plans, including the continued effectiveness of those plans throughout the ongoing COVID-19 pandemic. The Board further noted the Manager's ongoing engagement with key service providers with respect to their operations and personnel supporting the Fund during the COVID-19 pandemic.

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 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 Fred Alger Management.

Following consideration of such information, each Trustee was satisfied with the nature, extent and quality of services provided by the Manager to the Fund under the Management Agreement.

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 took into account that long-term performance could be impacted by one period of significant outperformance or underperformance.

The Board also reviewed and considered Fund performance reports provided by management 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 the Board throughout the year, representatives of the Manager reviewed with the Trustees the recent and longer-term performance of the Fund and, where appropriate, the measures that the Manager was considering, or had implemented during the past year, to address any performance outliers.

The Trustees concluded that the Fund's performance was acceptable. Further discussion of the Board's considerations with respect to the Fund's performance is set forth below.

The Board noted that the Fund's annualized total return for the three- and five-year periods outperformed or was equal to the median of its Peer Group, and for the one- and 10-year periods underperformed the median of its Peer Group. The Board also noted that the Fund's annualized total return for the three-year period was in the second quartile of its Peer Universe, and for the one-, five- and 10-year periods 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 reviewed and considered the contractual management fee (the "Contractual Management Fee") payable by the Fund to the Manager in light of the nature, extent and quality of the services provided by the Manager pursuant to the Management Agreement for the Fund. The Board also reviewed and considered the fee waiver and/or expense reimbursement arrangements for the Fund (if any), including specific share classes thereof, and considered the actual fee rate (after taking any waivers and reimbursements into account) payable by the Fund (the "Actual Management Fee"). Additionally, the Board received and considered information comparing the Fund's Contractual Management Fee, Actual Management Fee and overall expenses, including administrative fees payable to Fred Alger Management, with those of the funds in the Peer Group provided by FUSE. For purposes of the comparisons below, the FUSE Contractual Management Fee includes administrative fees.

The Board discussed those factors that could contribute to the Fund's Contractual Management Fee, Actual Management Fee or total expenses being above or below the median of the Fund's Peer Group and concluded that the Contractual Management Fee charged to the Fund is reasonable. Further discussion of the Board's considerations with respect to the Fund's comparative fees and expenses is set forth below.

The Board noted that the Contractual Management Fee and total expenses for the Fund were above the median and in the third and fourth (most expensive) quartiles of its Peer Group, respectively.

In connection with its consideration of the Fund's fees payable under the Management Agreement, the Board also received information on the Manager's standard institutional account fees for accounts of a similar investment type to the Fund. The Board noted management's explanation that comparisons with such accounts may be of limited relevance given the different structures and regulatory requirements of mutual funds, such as the Fund, versus those accounts and the differences in the levels of services required by the Fund and those accounts. The Board also received information on fees charged to other funds managed by the Manager.

Profitability

The Board reviewed and considered information regarding the profits realized by Fred Alger Management and its affiliates in connection with the operation of the Fund. In this respect, the Board considered overall profitability, including in comparison to certain investment advisory peers, as well as the profits, of Fred Alger Management, in providing investment management and other services to the Fund during the year ended June 30, 2021. The Board also reviewed the profitability methodology and any changes thereto, noting that management applies its methods consistently from year to year.

The Board noted that costs incurred in establishing and maintaining the infrastructure necessary for the mutual fund operations conducted by Fred Alger Management may not be fully reflected in the expenses allocated to the Fund in determining Fred Alger Management's profitability. The Board also noted that the scope of services provided by the Manager, and the related costs of providing those services, had expanded over time as a result of regulatory and other developments.

The Board also considered the extent to which the Manager might derive ancillary benefits from Fund operations, including, for example, through soft dollar arrangements. Based upon its consideration of all these factors, the Trustees concluded that the level of profits realized by Fred Alger Management 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 Fund shareholders. The Board noted the existence of a management fee breakpoint for the Fund, which operates 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 Fred Alger Management allows it to realize other economies of scale, such as with office space, purchases of technology, and other general business expenses.

The Trustees concluded that for the Fund, to the extent economies of scale may be realized by Fred Alger Management 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 breakpoint in place for the Fund.

Conclusion

The Board's consideration of the Contractual Management Fee for the Fund also had the benefit of a number of years of reviews of the Management Agreement, during which lengthy discussions took place between the Board and representatives of the Manager. 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 its consideration of the Fund's arrangements in prior years.

Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board, including the Independent Trustees voting separately, unanimously approved the continuation of the Management Agreement for an additional one-year period.

Privacy Policy

U.S. Consumer Privacy Notice **Rev. 06/22/21**

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 1-800-223-3810		

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, Alger Global Focus Fund, and The Alger ETF Trust.

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, Alger Global Focus Fund, and The Alger ETF Trust.
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 directly 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. These agreements 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 (the “Liquidity Rule”), the Fund has adopted and implemented a liquidity risk management program (the “LRMP”), which is reasonably designed to assess and manage the Portfolio’s liquidity risk.

The Board met on December 15, 2021 (the “Meeting”) to review the LRMP. The Board previously appointed Alger Management as the program administrator for the LRMP and approved an agreement with Ice Data Services (“ICE”), a third party vendor that assists the Portfolio with liquidity classifications required by the Liquidity Rule. Alger Management also previously delegated oversight of the LRMP to the Liquidity Risk Committee (the “Committee”). At the Meeting, the Committee, on behalf of Alger Management, 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, 2020 through November 30, 2021 (the “Review Period”).

The Report stated that the Committee assessed the Portfolio’s liquidity risk by considering qualitative factors such as the Portfolio’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 the Portfolio’s 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 the Portfolio primarily holds investments that are highly liquid. The Report noted that the Committee also performed stress tests on certain Portfolios in light of the market volatility caused by the COVID-19 pandemic, and it was concluded that the Portfolio remained primarily highly liquid.

There were no material changes to the LRMP during the Review Period, except that certain changes were made to the LRMP to add liquidity considerations for certain exchange-traded funds managed by Alger Management. The Report provided to the Board stated that the Committee concluded that based on the operation of the functions, as described in the

Report, during the Review Period the Fund's LRMP is operating effectively and adequate with respect to the Portfolio and has been effectively implemented during the Review Period.

THE ALGER PORTFOLIOS

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New York, NY 10004
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www.alger.com

Investment Manager

Fred Alger Management, LLC
100 Pearl Street, 27th Floor
New York, NY 10004

Distributor

Fred Alger & Company, LLC
100 Pearl Street, 27th Floor
New York, NY 10004

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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BalancedAR

BNY Mellon Investment Portfolios, MidCap Stock Portfolio

ANNUAL REPORT
December 31, 2021

BNY MELLON
INVESTMENT MANAGEMENT

Save time. Save paper. View your next shareholder report online as soon as it's available. Log into www.im.bnymellon.com and sign up for eCommunications. It's simple and only takes a few minutes.

The views expressed in this report reflect those of the portfolio manager(s) only through the end of the period covered and do not necessarily represent the views of BNY Mellon Investment Adviser, Inc. or any other person in the BNY Mellon Investment Adviser, Inc. organization. Any such views are subject to change at any time based upon market or other conditions and BNY Mellon Investment Adviser, Inc. disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a fund in the BNY Mellon Family of Funds are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any fund in the BNY Mellon Family of Funds.

Contents

THE FUND

FOR MORE INFORMATION

For the period from January 1, 2021 through December 31, 2021, as provided by portfolio managers Peter D. Goslin, CFA and Adam T. Logan, CFA of Newton Investment Management North America, LLC, sub-investment adviser

Market and Fund Performance Overview

For the 12-month period ended December 31, 2021, BNY Mellon Investment Portfolios, MidCap Stock Portfolio's (the "fund") Initial shares produced a total return of 25.89%, and its Service shares produced a total return of 25.56.[1] In comparison, the fund's benchmark, the S&P MidCap 400® Index (the "Index"), produced a total return of 24.76% for the same period.[2]

Mid-cap stocks produced strongly positive returns bolstered by accommodative monetary and fiscal stimulus and strong economic growth as the economy began to rebound from pandemic-related restrictions. The fund outperformed the Index, largely due to the effectiveness of the fund's value and quality factors in identifying stocks favored by the market.

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.

Equities Advance Despite Pandemic-Related Challenges

After a sharp recovery from COVID-19-related losses in 2020, U.S. equities made further headway in 2021. Although fresh lockdowns were enforced in some locations, the accelerating rollout of COVID-19 vaccination programs bolstered investors' risk appetite. By contrast, the impact of monetary accommodation, which provided critical support for financial asset prices, proved more complex. With reflation underway and an elevated pace of growth expected in the second half of the year, investors began to anticipate a dialing back of the exceptional levels of monetary stimulus provided earlier in the pandemic. This contributed to a sharp rise in government bond yields early in 2021, with the long end of the U.S. Treasury market experiencing its worst quarter since 1980. The nature of fiscal stimulus also continued to evolve as President Biden formally announced his long-awaited $2 trillion infrastructure program.

U.S. equities continued to advance during the second half of the period, albeit at a slower pace, drawing strength from an impressive slate of U.S. economic data, robust corporate earnings and further evidence that vaccination programs could be paving the way for a full reopening of economies. However, headwinds emerged as the widening scope of regulatory intervention within China unnerved investors, as did debt-related problems in the Chinese real estate industry that threatened a broader crisis in the property and financial sectors. Globally, higher energy prices, goods shortages and wage-inflation numbers led to the suggestion that monetary stimulus could be 'tapered' and interest rates moved higher. Nevertheless, U.S. equities continued on an upward trajectory, taking the prospect of monetary policy tightening and the lack of legislative progress for President Biden's 'Build Back Better' bill in their stride. Markets dipped in early December, when the new, highly transmissible COVID-19 Omicron variant was detected in the United States. Risk assets also reacted negatively to incrementally more hawkish rhetoric regarding the tapering of the U.S. Federal Reserve's (the "Fed") asset-purchase program that emerged from the Fed's December meeting. While large-cap stocks recovered into the end of the year, mid-cap stocks continue to trade off their previous highs.

Value and Quality Factors Outperform

The fund's performance compared to the Index benefited from the effectiveness of valuation and earnings-quality factors in identifying strong-performing stocks. While the fund's systematic stock selection approach is based on rankings of valuation, momentum, sentiment and earnings-quality measures rather than focusing on industry or sector exposure, some industries and sectors contributed more to outperformance than others. During the review period, the energy and health care sectors proved most accretive to the fund's relative performance. As the fund invests in a large number of stocks, the performance of any individual holdings had minimal impact on overall fund performance. Nevertheless, top-performing holdings included health care and information technology- solutions provider Cerner, which was acquired during the period at a premium to its pre-acquisition stock price, and independent oil and gas exploration and production companies Marathon Oil and Murphy Oil, which benefited from rising commodity prices and strong demand.

Conversely, investors failed to reward the growth, momentum and dividend-yield factors employed by the fund. Underperforming sectors included financials and utilities. Notably weak individual contributors to relative performance included Texas-based insurance company Globe Life, which suffered from the impact of the COVID-19 pandemic, and natural gas utility *ONE Gas*.

Maintaining a Diversified Portfolio and Consistent Investment Approach

With the economy continuing to recover from the effects of COVID-19, despite the pandemic's lingering impact, we expect to see further economic growth ahead, albeit at a somewhat slower pace than in 2021. At the same time, equity markets are likely to face headwinds in the coming months, making the exceptionally strong returns of the current reporting period less likely to be repeated in the near future. Increasing inflationary pressures, driven by strong demand and supply-chain disruptions, have increased the possibility that the Fed may soon taper its asset-buying program and eventually begin to raise interest rates, removing some support for equity markets and signaling a phase of slower economic growth. While inflationary pressures may moderate somewhat as the supply chain untangles, tight labor market conditions currently show no signs of easing. On the other hand, rising interest rates are likely to continue to constrain fixed-income markets, leaving investors with few options as attractive as equities.

The fund's investment strategy maintains an unwavering focus on our systematic approach to evaluating securities and building portfolios. This approach has allowed us to create an investment process that participates in rising equity markets and helps protect capital during times of stress in the marketplace. As of the end of the review period, the fund holds over 294 individual securities characterized by attractive valuations and improving fundamentals. Sector weightings remain close to those of the Index, with slightly overweight exposure to information technology, health care and communication services, and slightly underweight exposure to industrials, materials and consumer discretionary. As always, overweights and underweights are determined by our bottom-up, factor-driven stock selection process rather than top-down macroeconomic opinions. We continue to control risks relative to the Index from a sector and market capitalization standpoint, and believe the fund is well positioned to benefit from the prevailing market environment.

January 18, 2022

[1] *Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. The fund's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in variable insurance contracts, which will reduce returns. The fund's return reflects the absorption of certain fund expenses by BNY Mellon Investment Adviser, Inc. pursuant to an agreement in effect through April 30, 2022, at which time it may be extended, modified or terminated. Had these expenses not been absorbed, returns would have been lower.*

[2] *Source: Lipper Inc. — The S&P 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.

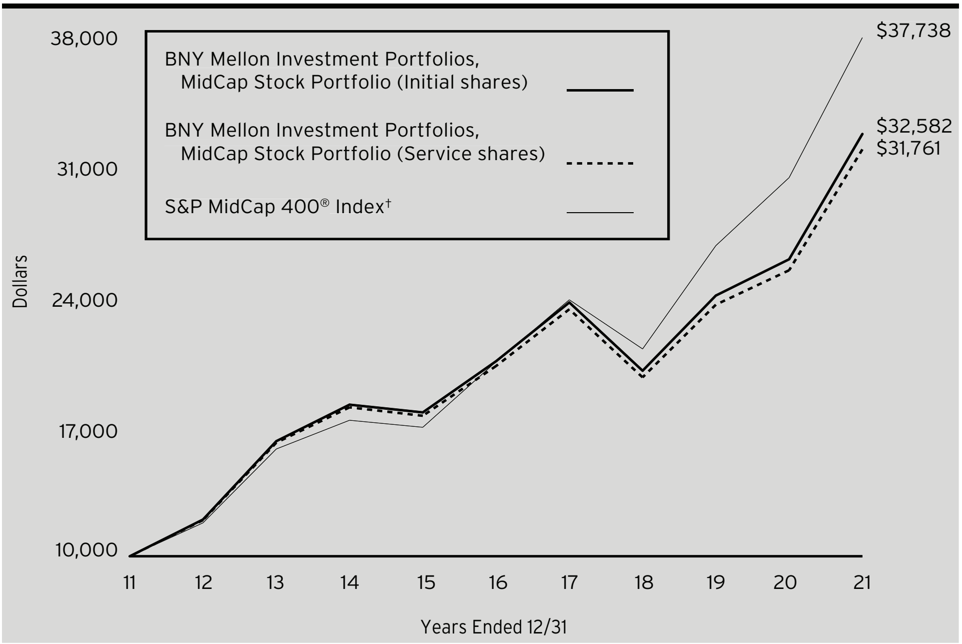
Equities are subject generally to market, market sector, market liquidity, issuer and investment style risks, among other factors, to varying degrees, all of which are more fully described in the fund's prospectus.

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.

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 12/31/11 to a hypothetical investment of $10,000 made in the Index on that date.

The fund's performance shown in the line graph above takes into account all applicable fees and expenses. The Index 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 12/31/2021

	1 Year	5 Years	10 Years
Initial shares	**25.89%**	**9.78%**	**12.54%**
Service shares	**25.56%**	**9.50%**	**12.25%**
S&P MidCap 400® Index	**24.76%**	**13.09%**	**14.20%**

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, 2021 to December 31, 2021. It also shows how much a $1,000 investment would be worth at the close of the period, assuming actual returns and expenses.

Expenses and Value of a $1,000 Investment
Assume actual returns for the six months ended December 31, 2021

	Initial Shares	Service Shares
Expenses paid per $1,000†	$4.32	$5.62
Ending value (after expenses)	$1,065.80	$1,063.90

COMPARING YOUR FUND'S EXPENSES WITH THOSE OF OTHER FUNDS (Unaudited)

Using the SEC's method to compare expenses

The Securities and Exchange Commission ("SEC") has established guidelines to help investors assess fund expenses. Per these guidelines, the table below shows your fund's expenses based on a $1,000 investment, assuming a hypothetical 5% annualized return. You can use this information to compare the ongoing expenses (but not transaction expenses or total cost) of investing in the fund with those of other funds. All mutual fund shareholder reports will provide this information to help you make this comparison. Please note that you cannot use this information to estimate your actual ending account balance and expenses paid during the period.

Expenses and Value of a $1,000 Investment
Assuming a hypothetical 5% annualized return for the six months ended December 31, 2021

	Initial Shares	Service Shares
Expenses paid per $1,000†	$4.23	$5.50
Ending value (after expenses)	$1,021.02	$1,019.76

† *Expenses are equal to the fund's annualized expense ratio of .83% for Initial Shares and 1.08% for Service Shares, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).*

STATEMENT OF INVESTMENTS
December 31, 2021

Description	Shares	Value ($)
Common Stocks - 99.8%		
Automobiles & Components - 1.7%		
Adient	8,590 [a]	411,289
Dana	5,965	136,121
Fox Factory Holding	2,670 [a]	454,167
Harley-Davidson	11,745	442,669
The Goodyear Tire & Rubber Company	43,940 [a]	936,801
Thor Industries	7,010	727,428
		3,108,475
Banks - 6.6%		
Cathay General Bancorp	42,280	1,817,617
Essent Group	8,390	381,997
Fulton Financial	98,205	1,669,485
Hancock Whitney	23,625	1,181,722
International Bancshares	6,850	290,372
MGIC Investment	45,035	649,405
New York Community Bancorp	58,025	708,485
PacWest Bancorp	15,120	682,970
Sterling Bancorp	36,320	936,693
UMB Financial	15,990	1,696,699
United Bankshares	26,170	949,448
Washington Federal	25,850	862,873
Webster Financial	4,285	239,274
		12,067,040
Capital Goods - 12.7%		
A.O. Smith	6,335	543,860
Acuity Brands	4,365	924,158
AECOM	11,100	858,585
AGCO	8,005	928,740
Allegion	2,460	325,802
Allison Transmission Holdings	10,245	372,406
Armstrong World Industries	5,365	622,984
Axon Enterprise	1,655 [a]	259,835
Builders FirstSource	12,515 [a]	1,072,661
Carlisle	1,645	408,157
Crane	8,595	874,369
Curtiss-Wright	5,020	696,123
Donaldson	22,400	1,327,424
EMCOR Group	12,745	1,623,586
Flowserve	23,090	706,554
Huntington Ingalls Industries	1,470	274,508
Kennametal	15,030	539,727
Lennox International	4,695	1,522,870

Description	Shares	Value ($)
Common Stocks - 99.8% (continued)		
Capital Goods - 12.7% (continued)		
Lincoln Electric Holdings	4,380	610,879
MasTec	8,235 [a]	759,926
nVent Electric	39,475	1,500,050
Oshkosh	1,430	161,175
Owens Corning	8,395	759,747
Pentair	5,940 [b]	433,798
Quanta Services	2,870	329,074
Sunrun	5,590 [a,b]	191,737
Terex	16,640	731,328
Textron	6,955	536,926
The Middleby	4,510 [a]	887,388
The Toro Company	10,060	1,005,094
Trex	2,490 [a]	336,225
Valmont Industries	1,000	250,500
Watsco	765	239,353
Woodward	3,505	383,657
		22,999,206
Commercial & Professional Services - 2.1%		
ASGN	6,630 [a]	818,142
Clean Harbors	8,005 [a]	798,659
FTI Consulting	2,815 [a]	431,877
Insperity	2,090	246,850
Jacobs Engineering Group	1,220	169,861
ManpowerGroup	8,615	838,498
Science Applications International	1,610	134,580
The Brink's Company	4,680	306,868
		3,745,335
Consumer Durables & Apparel - 5.1%		
Brunswick	7,695	775,117
Capri Holdings	13,455 [a]	873,364
Columbia Sportswear	3,170	308,885
Crocs	5,735 [a]	735,342
Deckers Outdoor	1,360 [a]	498,182
Mattel	36,290 [a]	782,412
Peloton Interactive, Cl. A	4,070 [a,b]	145,543
Polaris	3,850	423,153
PulteGroup	4,310	246,360
PVH	3,995	426,067
Tapestry	10,895	442,337
Tempur Sealy International	23,370	1,099,091
Toll Brothers	6,690	484,289
TopBuild	2,175 [a]	600,104
Tri Pointe Homes	25,270 [a]	704,780

Description	Shares	Value ($)
Common Stocks - 99.8% (continued)		
Consumer Durables & Apparel - 5.1% (continued)		
Under Armour, Cl. A	8,360 [a]	177,148
YETI Holdings	6,600 [a]	546,678
		9,268,852
Consumer Services - 3.9%		
Boyd Gaming	8,710 [a]	571,115
Chipotle Mexican Grill	380 [a]	664,335
Frontdoor	6,940 [a]	254,351
Graham Holdings, Cl. B	655	412,539
Grand Canyon Education	7,480 [a]	641,111
H&R Block	9,600	226,176
Jack in the Box	6,255	547,187
Marriott Vacations Worldwide	5,635	952,202
Planet Fitness, Cl. A	6,155 [a]	557,520
Scientific Games	5,730 [a]	382,936
Service Corp. International	11,030	783,020
The Wendy's Company	17,635	420,595
Wyndham Hotels & Resorts	8,170	732,440
		7,145,527
Diversified Financials - 3.0%		
Affiliated Managers Group	5,175	851,339
Evercore, Cl. A	4,475	607,929
FactSet Research Systems	2,205	1,071,652
Federated Hermes	5,155	193,725
Janus Henderson Group	13,740	576,256
Jefferies Financial Group	20,930	812,084
OneMain Holdings	2,735	136,859
Stifel Financial	17,220	1,212,632
		5,462,476
Energy - 2.5%		
Antero Midstream	23,400	226,512
ChampionX	13,520 [a]	273,239
Continental Resources	2,970 [b]	132,937
Equitrans Midstream	33,180	343,081
Hess	5,745	425,302
Marathon Oil	80,505	1,321,892
Murphy Oil	23,860	622,985
Occidental Petroleum	6,335	183,652
Targa Resources	18,825	983,418
		4,513,018
Food & Staples Retailing - 1.3%		
BJ's Wholesale Club Holdings	12,835 [a]	859,560
Casey's General Stores	1,695	334,508
Sprouts Farmers Market	23,995 [a]	712,172

Description	Shares	Value ($)
Common Stocks - 99.8% (continued)		
Food & Staples Retailing - 1.3% (continued)		
The Kroger Company	9,835	445,132
		2,351,372
Food, Beverage & Tobacco - 1.6%		
Darling Ingredients	13,505 [a]	935,761
Flowers Foods	37,855	1,039,877
Sanderson Farms	2,525	482,477
The Hain Celestial Group	12,335 [a]	525,594
		2,983,709
Health Care Equipment & Services - 7.4%		
Acadia Healthcare	12,040 [a]	730,828
Amedisys	4,030 [a]	652,376
Cerner	12,925	1,200,345
Chemed	2,985	1,579,184
Dentsply Sirona	7,915	441,578
Encompass Health	3,995	260,714
Envista Holdings	14,345 [a]	646,386
Globus Medical, Cl. A	4,660 [a]	336,452
HealthEquity	4,680 [a]	207,043
Henry Schein	1,265 [a]	98,075
ICU Medical	2,545 [a]	604,030
Integra LifeSciences Holdings	16,510 [a]	1,106,005
LivaNova	8,850 [a]	773,755
Molina Healthcare	4,685 [a]	1,490,205
NuVasive	4,765 [a]	250,067
Option Care Health	17,385 [a]	494,429
Patterson Companies	6,380	187,253
Progyny	3,145 [a]	158,351
Quidel	3,535 [a]	477,190
STAAR Surgical	6,250 [a]	570,625
Teladoc Health	2,320 [a]	213,022
Teleflex	530	174,094
Tenet Healthcare	9,795 [a]	800,153
		13,452,160
Household & Personal Products - .4%		
Coty, Cl. A	37,405 [a]	392,753
Nu Skin Enterprises, Cl. A	5,205	264,154
		656,907
Insurance - 4.7%		
Alleghany	1,395 [a]	931,288
American Financial Group	6,560	900,819
Cincinnati Financial	2,475	281,977
CNA Financial	6,080	268,006
First American Financial	11,660	912,162

Description	Shares	Value ($)
Common Stocks - 99.8% (continued)		
Insurance - 4.7% (continued)		
Globe Life	7,605	712,741
Kinsale Capital Group	3,105	738,648
Mercury General	3,980	211,179
Primerica	8,090	1,239,954
RLI	5,010	561,621
Selective Insurance Group	10,910	893,965
The Hanover Insurance Group	6,475	848,613
		8,500,973
Materials - 5.4%		
Alcoa	3,415	203,466
CF Industries Holdings	8,170	578,273
Cleveland-Cliffs	48,025 [a,b]	1,045,504
Commercial Metals	18,895	685,700
Eagle Materials	7,210	1,200,177
Element Solutions	7,995	194,119
Greif, Cl. A	5,035	303,963
Ingevity	11,650 [a]	835,305
Louisiana-Pacific	7,975	624,841
Minerals Technologies	12,140	888,041
Olin	11,330	651,702
Reliance Steel & Aluminum	6,165	1,000,086
The Chemours Company	17,810	597,704
The Mosaic Company	7,890	309,998
U.S. Steel	18,320	436,199
Westlake Chemical	3,260	316,644
		9,871,722
Media & Entertainment - 2.2%		
Altice USA, Cl. A	7,405 [a]	119,813
Cable One	130	229,249
Fox, Cl. A	3,410	125,829
John Wiley & Sons, Cl. A	10,755	615,939
News Corporation, Cl. A	11,355	253,330
The Interpublic Group of Companies	17,725	663,801
The New York Times Company, Cl. A	20,580	994,014
World Wrestling Entertainment, Cl. A	7,170 [b]	353,768
Yelp	14,215 [a]	515,152
Ziff Davis	1,415 [a]	156,867
		4,027,762
Pharmaceuticals Biotechnology & Life Sciences - 3.4%		
Bio-Techne	1,165	602,701
Bruker	7,895	662,469
Exelixis	8,835 [a]	161,504
Halozyme Therapeutics	9,450 [a]	379,985

Description	Shares	Value ($)
Common Stocks - 99.8% (continued)		
Pharmaceuticals Biotechnology & Life Sciences - 3.4% (continued)		
Jazz Pharmaceuticals	1,095 [a]	139,503
Medpace Holdings	2,380 [a]	517,983
Repligen	6,265 [a]	1,659,223
Royalty Pharma, CI. A	9,510	378,974
Seagen	2,630 [a]	406,598
Syneos Health	7,665 [a]	787,042
United Therapeutics	2,575 [a]	556,406
		6,252,388
Real Estate - 9.7%		
AvalonBay Communities	1,160 [c]	293,004
Brixmor Property Group	24,630 [c]	625,848
Camden Property Trust	3,345 [c]	597,685
Corporate Office Properties Trust	30,905 [c]	864,413
Federal Realty Investment Trust	4,955 [c]	675,466
First Industrial Realty Trust	9,170 [c]	607,054
Highwoods Properties	16,695 [c]	744,430
Jones Lang LaSalle	3,015 [a]	812,060
Kilroy Realty	19,715 [c]	1,310,259
Kite Realty Group Trust	45,690 [c]	995,128
Lamar Advertising, Cl. A	9,350 [c]	1,134,155
Mid-America Apartment Communities	2,365 [c]	542,626
National Retail Properties	39,090 [c]	1,879,056
National Storage Affiliates Trust	15,945 [c]	1,103,394
Potlatchdeltic	2,640 [c]	158,981
PS Business Parks	9,550 [c]	1,758,823
Rayonier	13,825 [c]	557,977
Regency Centers	11,800 [c]	889,130
SL Green Realty	10,040 [b,c]	719,868
Spirit Realty Capital	13,150 [c]	633,698
Urban Edge Properties	36,560 [c]	694,640
		17,597,695
Retailing - 4.0%		
American Eagle Outfitters	23,185 [b]	587,044
AutoNation	3,890 [a]	454,546
Dick's Sporting Goods	4,820 [b]	554,252
Five Below	5,230 [a]	1,082,035
Foot Locker	8,060	351,658
GameStop, Cl. A	4,170 [a,b]	618,786
Kohl's	16,585	819,133
Lithia Motors	1,940	576,083
Murphy USA	2,065	411,431
RH	730 [a]	391,236

Description	Shares	Value ($)
Common Stocks - 99.8% (continued)		
Retailing - 4.0% (continued)		
Wayfair, Cl. A	1,950 [a,b]	370,442
Williams-Sonoma	6,710	1,134,862
		7,351,508
Semiconductors & Semiconductor Equipment - 4.5%		
Allegro MicroSystems	10,885 [a]	393,819
Azenta	1,320	136,105
Cirrus Logic	4,110 [a]	378,202
CMC Materials	1,100	210,859
Entegris	2,205	305,569
First Solar	1,745 [a]	152,094
Lattice Semiconductor	13,635 [a]	1,050,713
MKS Instruments	7,480	1,302,792
ON Semiconductor	6,880 [a]	467,290
Qorvo	1,310 [a]	204,871
Semtech	10,200 [a]	907,086
Silicon Laboratories	1,085 [a]	223,966
SiTime	510 [a]	149,195
SunPower	10,370 [a,b]	216,422
Synaptics	3,345 [a]	968,411
Teradyne	3,885	635,314
Universal Display	2,480	409,274
		8,111,982
Software & Services - 6.2%		
ACI Worldwide	29,570 [a]	1,026,079
Alliance Data Systems	6,770	450,679
Aspen Technology	1,675 [a]	254,935
Blackbaud	1,795 [a]	141,769
Concentrix	3,585	640,353
DocuSign	1,920 [a]	292,435
Dolby Laboratories, Cl. A	4,435	422,301
Euronet Worldwide	2,270 [a]	270,516
Fair Isaac	2,200 [a]	954,074
Genpact	11,485	609,624
HubSpot	1,165 [a]	767,910
Jack Henry & Associates	2,650	442,523
Manhattan Associates	3,785 [a]	588,530
Mimecast	5,325 [a]	423,710
NCR	18,610 [a]	748,122
Nuance Communications	10,930 [a]	604,648
Palo Alto Networks	1,525 [a]	849,059
PTC	1,790 [a]	216,859
Qualys	3,760 [a]	515,947
Splunk	2,920 [a]	337,902

Description	Shares	Value ($)
Common Stocks - 99.8% (continued)		
Software & Services - 6.2% (continued)		
Teradata	12,675 [a]	538,307
The Western Union Company	11,405	203,465
		11,299,747
Technology Hardware & Equipment - 4.9%		
Arrow Electronics	5,295 [a]	710,960
Avnet	18,600	766,878
Belden	7,240	475,885
CDW	2,430	497,615
Ciena	10,770 [a]	828,967
Cognex	13,695	1,064,923
Corning	11,800	439,314
II-VI	13,330 [a,b]	910,839
Jabil	4,300	302,505
Littelfuse	1,375	432,685
Lumentum Holdings	6,055 [a,b]	640,437
TD SYNNEX	2,280	260,741
Trimble	5,835 [a]	508,754
Ubiquiti	535 [b]	164,085
Vontier	14,945	459,260
Xerox Holdings	22,135	501,136
		8,964,984
Telecommunication Services - .3%		
Iridium Communications	12,180 [a]	**502,912**
Transportation - 2.3%		
Avis Budget Group	3,270 [a]	678,100
Kirby	18,235 [a]	1,083,524
Knight-Swift Transportation Holdings	9,030	550,288
Old Dominion Freight Line	1,705	611,038
Ryder System	3,050	251,412
Saia	2,820 [a]	950,425
		4,124,787
Utilities - 3.9%		
ALLETE	21,760	1,443,776
Black Hills	17,105	1,207,100
DTE Energy	2,180	260,597
Hawaiian Electric Industries	26,730	1,109,295
IDACORP	10,930	1,238,478
MDU Resources Group	21,880	674,779
New Jersey Resources	7,845	322,116
NorthWestern	9,245	528,444
UGI	7,160	328,716
		7,113,301
Total Common Stocks (cost $149,231,315)		**181,473,838**

Description	1-Day Yield (%)	Shares	Value ($)
Investment Companies - .2%			
Registered Investment Companies - .2%			
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares (cost $426,188)	0.07	426,188 [d]	**426,188**
Investment of Cash Collateral for Securities Loaned - .5%			
Registered Investment Companies - .5%			
Dreyfus Institutional Preferred Government Plus Money Market Fund, SL Shares (cost $914,695)	0.07	914,695 [d]	**914,695**
Total Investments (cost $150,572,198)		**100.5%**	**182,814,721**
Liabilities, Less Cash and Receivables		**(.5%)**	**(989,303)**
Net Assets		**100.0%**	**181,825,418**

[a] *Non-income producing security.*
[b] *Security, or portion thereof, on loan. At December 31, 2021, the value of the fund's securities on loan was $6,474,717 and the value of the collateral was $6,629,910, consisting of cash collateral of $914,695 and U.S. Government & Agency securities valued at $5,715,215. In addition, the value of collateral may include pending sales that are also on loan.*
[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 (%)
Industrials	17.0
Information Technology	15.6
Consumer Discretionary	14.8
Financials	14.3
Health Care	10.8
Real Estate	9.7
Materials	5.4
Utilities	3.9
Consumer Staples	3.3
Communication Services	2.5
Energy	2.5
Investment Companies	.7
	100.5

† *Based on net assets.*
See notes to financial statements.

Description	Value ($) 12/31/2020	Purchases ($)†	Sales ($)	Value ($) 12/31/2021	Dividends/ Distributions ($)
Registered Investment Companies - .2%					
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares - .2%	1,225,389	22,965,807	(23,765,008)	426,188	690
Investment of Cash Collateral for Securities Loaned - .5%					
Dreyfus Institutional Preferred Government Plus Money Market Fund, SL Shares - .5%	827,423	15,550,828	(15,463,556)	914,695	16,578 ††
Total - .7%	**2,052,812**	**38,516,635**	**(39,228,564)**	**1,340,883**	**17,268**

† *Includes reinvested dividends/distributions.*

†† *Represents securities lending income earned from the reinvestment of cash collateral from loaned securities, net of fees and collateral investment expenses, and other payments to and from borrowers of securities.*

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

December 31, 2021

	Cost	Value
Assets ($):		
Investments in securities—See Statement of Investments		
(including securities on loan, valued at $6,474,717)—Note 1(b):		
Unaffiliated issuers	149,231,315	181,473,838
Affiliated issuers	1,340,883	1,340,883
Dividends and securities lending income receivable		158,601
Receivable for shares of Beneficial Interest subscribed		89,700
Prepaid expenses		3,519
		183,066,541
Liabilities ($):		
Due to BNY Mellon Investment Adviser, Inc. and affiliates—Note 3(b)		137,414
Liability for securities on loan—Note 1(b)		914,695
Payable for shares of Beneficial Interest redeemed		119,051
Trustees' fees and expenses payable		1,650
Other accrued expenses		68,313
		1,241,123
Net Assets ($)		**181,825,418**
Composition of Net Assets ($):		
Paid-in capital		111,442,077
Total distributable earnings (loss)		70,383,341
Net Assets ($)		**181,825,418**

Net Asset Value Per Share	Initial Shares	Service Shares
Net Assets ($)	86,836,664	94,988,754
Shares Outstanding	3,505,979	3,854,387
Net Asset Value Per Share ($)	**24.77**	**24.64**

See notes to financial statements.

STATEMENT OF OPERATIONS
Year Ended December 31, 2021

Investment Income ($):	
Income:	
Cash dividends:	
Unaffiliated issuers	2,596,714
Affiliated issuers	690
Income from securities lending—Note 1(b)	16,578
Total Income	**2,613,982**
Expenses:	
Management fee—Note 3(a)	1,323,384
Distribution fees—Note 3(b)	226,866
Professional fees	100,362
Prospectus and shareholders' reports	27,472
Custodian fees—Note 3(b)	21,022
Chief Compliance Officer fees—Note 3(b)	14,276
Trustees' fees and expenses—Note 3(c)	13,751
Loan commitment fees—Note 2	2,475
Shareholder servicing costs—Note 3(b)	1,565
Interest expense—Note 2	101
Miscellaneous	19,042
Total Expenses	**1,750,316**
Less—reduction in expenses due to undertaking—Note 3(a)	(21,189)
Net Expenses	**1,729,127**
Investment Income—Net	**884,855**
Realized and Unrealized Gain (Loss) on Investments—Note 4 ($):	
Net realized gain (loss) on investments	37,494,447
Net change in unrealized appreciation (depreciation) on investments	574,376
Net Realized and Unrealized Gain (Loss) on Investments	**38,068,823**
Net Increase in Net Assets Resulting from Operations	**38,953,678**

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Year Ended December 31,	
	2021	2020
Operations ($):		
Investment income—net	884,855	894,861
Net realized gain (loss) on investments	37,494,447	3,459,022
Net change in unrealized appreciation (depreciation) on investments	574,376	6,471,918
Net Increase (Decrease) in Net Assets Resulting from Operations	**38,953,678**	**10,825,801**
Distributions ($):		
Distributions to shareholders:		
Initial Shares	(1,082,003)	(552,702)
Service Shares	(940,992)	(343,563)
Total Distributions	**(2,022,995)**	**(896,265)**
Beneficial Interest Transactions ($):		
Net proceeds from shares sold:		
Initial Shares	8,847,860	7,458,751
Service Shares	13,852,574	14,678,777
Distributions reinvested:		
Initial Shares	1,082,003	552,702
Service Shares	940,992	343,563
Cost of shares redeemed:		
Initial Shares	(16,848,704)	(13,780,638)
Service Shares	(16,490,420)	(16,960,443)
Increase (Decrease) in Net Assets from Beneficial Interest Transactions	**(8,615,695)**	**(7,707,288)**
Total Increase (Decrease) in Net Assets	**28,314,988**	**2,222,248**
Net Assets ($):		
Beginning of Period	153,510,430	151,288,182
End of Period	**181,825,418**	**153,510,430**
Capital Share Transactions (Shares):		
Initial Shares		
Shares sold	390,569	456,232
Shares issued for distributions reinvested	48,783	45,155
Shares redeemed	(729,080)	(828,281)
Net Increase (Decrease) in Shares Outstanding	**(289,728)**	**(326,894)**
Service Shares		
Shares sold	620,993	938,110
Shares issued for distributions reinvested	42,560	28,138
Shares redeemed	(732,921)	(1,060,385)
Net Increase (Decrease) in Shares Outstanding	**(69,368)**	**(94,137)**

See notes to financial statements.

FINANCIAL HIGHLIGHTS

The following tables describe the performance for each share class for the fiscal periods indicated. All information (except portfolio turnover rate) reflects financial results for a single fund share. Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period. Net asset value total return includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions. The fund's total returns do not reflect expenses associated with variable annuity or insurance contracts. These figures have been derived from the fund's financial statements.

	Year Ended December 31,				
Initial Shares	2021	2020	2019	2018	2017
Per Share Data ($):					
Net asset value, beginning of period	19.93	18.64	16.80	22.56	20.09
Investment Operations:					
Investment income—net[a]	.15	.13	.13	.12	.10
Net realized and unrealized gain (loss) on investments	4.97	1.30	3.15	(3.19)	2.92
Total from Investment Operations	5.12	1.43	3.28	(3.07)	3.02
Distributions:					
Dividends from investment income—net	(.14)	(.14)	(.12)	(.13)	(.22)
Dividends from net realized gain on investments	(.14)	-	(1.32)	(2.56)	(.33)
Total Distributions	(.28)	(.14)	(1.44)	(2.69)	(.55)
Net asset value, end of period	24.77	19.93	18.64	16.80	22.56
Total Return (%)	25.89	8.11	20.18	(15.49)	15.38
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	.86	.87	.86	.86	.87
Ratio of net expenses to average net assets	.85	.87	.86	.86	.87
Ratio of net investment income to average net assets	.63	.81	.73	.59	.50
Portfolio Turnover Rate	90.95	92.40	82.88	68.02	64.86
Net Assets, end of period ($ x 1,000)	86,837	75,649	76,835	72,374	92,776

[a] *Based on average shares outstanding.*
See notes to financial statements.

	Year Ended December 31,				
Service Shares	2021	2020	2019	2018	2017
Per Share Data ($):					
Net asset value, beginning of period	19.84	18.53	16.71	22.45	20.00
Investment Operations:					
Investment income—net[a]	.09	.09	.09	.07	.06
Net realized and unrealized gain (loss) on investments	4.95	1.31	3.12	(3.18)	2.90
Total from Investment Operations	5.04	1.40	3.21	(3.11)	2.96
Distributions:					
Dividends from investment income—net	(.10)	(.09)	(.07)	(.07)	(.18)
Dividends from net realized gain on investments	(.14)	-	(1.32)	(2.56)	(.33)
Total Distributions	(.24)	(.09)	(1.39)	(2.63)	(.51)
Net asset value, end of period	24.64	19.84	18.53	16.71	22.45
Total Return (%)	25.56	7.85	19.85	(15.69)	15.04
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	1.11	1.12	1.11	1.11	1.12
Ratio of net expenses to average net assets	1.10	1.12	1.11	1.11	1.12
Ratio of net investment income to average net assets	.38	.56	.48	.34	.28
Portfolio Turnover Rate	90.95	92.40	82.88	68.02	64.86
Net Assets, end of period ($ x 1,000)	94,989	77,862	74,454	63,202	76,948

[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 "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company and operates as a series company currently offering 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. Effective September 1, 2021 (the "Effective Date"), the Adviser has engaged its affiliate, Newton Investment Management North America, LLC (the "Sub-Adviser") as the fund's sub-investment adviser pursuant to a sub-investment advisory agreement between the Adviser and the Sub-Adviser. As the fund's sub-investment adviser, the Sub-Adviser provides the day-to-day management of the fund's investments, subject to the Adviser's supervision and approval. The Adviser (and not the fund) pays the Sub-Adviser for its sub-advisory services. As of the Effective Date, portfolio managers responsible for managing the fund's investments who were employees of Mellon Investments Corporation ("Mellon") in a dual employment arrangement with the Adviser, have become employees of the Sub-Adviser, and are no longer employees of Mellon.

BNY Mellon Securities Corporation (the "Distributor"), a wholly-owned subsidiary of the Adviser, is the distributor of the fund's shares, which are sold without a sales charge. The fund is authorized to issue an unlimited number of $.001 par value shares of Beneficial Interest in each of the following classes of shares: Initial and Service. Each class of shares has identical rights and privileges, except with respect to the Distribution Plan, and the expenses borne by each class, the allocation of certain transfer agency costs, and certain voting rights. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets.

The Trust accounts separately for the assets, liabilities and operations of each series. Expenses directly attributable to each series are charged to that series' operations; expenses which are applicable to all series are allocated among them on a pro rata basis.

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") is the exclusive reference of authoritative U.S. generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund is an investment company and applies the accounting and reporting guidance of the FASB ASC Topic 946 Financial Services-Investment Companies. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

The Trust enters into contracts that contain a variety of indemnifications. The fund's maximum exposure under these arrangements is unknown. The fund does not anticipate recognizing any loss related to these arrangements.

(a) Portfolio valuation: The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

Various inputs are used in determining the value of the fund's investments relating to fair value measurements. These inputs are summarized in the three broad levels listed below:

> **Level 1**—unadjusted quoted prices in active markets for identical investments.
>
> **Level 2**—other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.).
>
> **Level 3**—significant unobservable inputs (including the fund's own assumptions in determining the fair value of investments).

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

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

Investments in equity securities are valued at the last sales price on the securities exchange or national securities market on which such securities are primarily traded. Securities listed on the National Market System for which market quotations are available are valued at the official closing price or, if there is no official closing price that day, at the last sales price. For open short positions, asked prices are used for valuation purposes. Bid price is used when no asked price is available. Registered investment companies that are not traded on an exchange are valued at their net asset value. All of the preceding securities are generally categorized within Level 1 of the fair value hierarchy.

Securities not listed on an exchange or the national securities market, or securities for which there were no transactions, are valued at the average of the most recent bid and asked prices. These securities are generally categorized within Level 2 of the fair value hierarchy.

Fair valuing of securities may be determined with the assistance of a pricing service using calculations based on indices of domestic securities and other appropriate indicators, such as prices of relevant American Depository Receipts and futures. Utilizing these techniques may result in transfers between Level 1 and Level 2 of the fair value hierarchy.

When market quotations or official closing prices are not readily available, or are determined not to accurately reflect fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded (for example, a foreign exchange or market), but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the Trust's Board of Trustees (the "Board"). Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized within Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used.

For securities where observable inputs are limited, assumptions about market activity and risk are used and such securities are generally categorized within Level 3 of the fair value hierarchy.

The following is a summary of the inputs used as of December 31, 2021 in valuing the fund's investments:

	Level 1- Unadjusted Quoted Prices	Level 2- Other Significant Observable Inputs	Level 3- Significant Unobservable Inputs	**Total**
Assets ($)				
Investments in Securities:†				
Equity Securities - Common Stocks	181,473,838	-	-	**181,473,838**
Investment Companies	1,340,883	-	-	**1,340,883**

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

(b) Securities transactions and investment income: Securities transactions are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income is recognized on the ex-dividend date and interest income, including, where applicable, accretion of discount and amortization of premium on investments, is recognized on the accrual basis.

Pursuant to a securities lending agreement with The Bank of New York Mellon, a subsidiary of BNY Mellon and an affiliate of the Adviser, the fund may lend securities to qualified institutions. It is the fund's policy that, at origination, all loans are secured by collateral of at least 102% of the value of U.S. securities loaned and 105% of the value of foreign securities loaned. Collateral equivalent to at least 100% of the market value of securities on loan is maintained at all times. Collateral is either in the form of cash, which can be invested in certain money market mutual funds managed by the Adviser, or U.S. Government and Agency securities. The fund is entitled to receive all dividends, interest and distributions on securities loaned, in addition to income earned as a result of the lending transaction. Should a borrower fail to return the securities in a timely manner, The Bank of New York Mellon is required to replace the securities for the benefit of the fund or credit the fund with the market value of the unreturned securities and is subrogated to the fund's rights against the borrower and the collateral. Additionally, the contractual maturity of security lending transactions are on an overnight and continuous basis. During the period ended December 31, 2021, The Bank of New York Mellon earned $2,256 from the lending of the fund's portfolio securities, pursuant to the securities lending agreement.

(c) Affiliated issuers: Investments in other investment companies advised by the Adviser are considered "affiliated" under the Act.

(d) Risk: Certain events particular to the industries in which the fund's investments conduct their operations, as well as general economic, political and public health conditions, may have a significant negative impact on the investee's operations and profitability. In addition, turbulence in financial markets and reduced liquidity in equity, credit and/or fixed income markets may negatively affect many issuers, which could adversely affect the fund. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies world-wide. Recent examples include pandemic risks related to COVID-19 and aggressive measures taken world-wide in response by governments, including closing borders, restricting international and domestic travel, and the imposition of prolonged quarantines of large populations, and by businesses, including changes to operations and reducing staff. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. The COVID-19 pandemic has had, and any other outbreak of an infectious disease or other serious public health concern could have, a significant negative impact on economic and market conditions and could trigger a prolonged period of global economic slowdown. To the extent the fund may overweight its investments in certain countries, companies, industries or market sectors, such positions will increase the fund's exposure to risk of loss from adverse developments affecting those countries, companies, industries or sectors.

(e) 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.

(f) Federal income taxes: It is the policy of the fund to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the applicable provisions of the Code, and to make distributions of taxable income and net realized capital gain sufficient to relieve it from substantially all federal income and excise taxes.

As of and during the period ended December 31, 2021, the fund did not have any liabilities for any uncertain tax positions. The fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended December 31, 2021, the fund did not incur any interest or penalties.

Each tax year in the four-year period ended December 31, 2021 remains subject to examination by the Internal Revenue Service and state taxing authorities.

At December 31, 2021, the components of accumulated earnings on a tax basis were as follows: undistributed ordinary income $14,072,379, undistributed capital gains $24,318,354 and unrealized appreciation $31,992,608.

The tax character of distributions paid to shareholders during the fiscal periods ended December 31, 2021 and December 31, 2020 were as follows: ordinary income $924,151 and $896,265, and long-term capital gains $1,098,844 and $0, respectively.

NOTE 2—Bank Lines of Credit:

The fund participates with other long-term open-end funds managed by the Adviser in a $823.5 million unsecured credit facility led by Citibank, N.A. (the "Citibank Credit Facility") and a $300 million unsecured credit facility provided by The Bank of New York Mellon (the "BNYM Credit Facility"), each to be utilized primarily for temporary or emergency purposes, including the financing of redemptions (each, a "Facility"). The Citibank Credit Facility is available in two tranches: (i) Tranche A is in an amount equal to $688.5 million and is available to all long-term open-ended funds, including the fund, and (ii) Tranche B is an amount equal to $135 million and is available only to BNY Mellon Floating Rate Income Fund, a series of BNY Mellon Investment Funds IV, Inc. In connection therewith, the fund has agreed to pay its pro rata portion of commitment fees for Tranche A of the Citibank Credit Facility and the BNYM Credit Facility. Interest is charged to the fund based on rates determined pursuant to the terms of the respective Facility at the time of borrowing.

The average amount of borrowings outstanding under the Facilities during the period ended December 31, 2021 was approximately $8,219 with a related weighted average annualized rate of 1.23%.

NOTE 3—Management Fee, Sub-Investment Advisory 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 had contractually agreed, from January 1, 2021 through September 27, 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%. The Adviser has contractually agreed, from September 27, 2021 through April 30, 2022, to waive receipt of its fees and/or assume the expenses of the fund, so that the direct expenses of the fund (excluding expenses as described above) do not exceed .80%. On or after April 30, 2022, the Adviser may terminate this expense limitation at any time. The reduction in expense pursuant to undertaking amount to $21,189 for the period ended December 31, 2021.

As of the Effective Date, pursuant to a sub-investment advisory agreement between the Adviser and the Sub-Adviser, the Adviser pays the Sub-Adviser a monthly fee at an annual rate of .36% of the value of the fund's average daily net assets.

(b) Under the Distribution Plan adopted pursuant to Rule 12b-1 under the Act, Service shares pay the Distributor for distributing its shares, for servicing and/or maintaining Service shares' shareholder accounts and for advertising and marketing for Service shares. The Distribution Plan provides for payments to be made at an annual rate of .25% of the value of the Service shares' average daily net assets. The Distributor may make payments to Participating Insurance Companies and to brokers and dealers acting as principal underwriter for their variable insurance products. The fees payable under the Distribution Plan are payable without regard to actual expenses incurred. During the period ended December 31, 2021, Service shares were charged $226,866 pursuant to the Distribution Plan.

The fund has an arrangement with the transfer agent whereby the fund may receive earnings credits when positive cash balances are maintained, which are used to offset transfer agency fees. For financial reporting purposes, the fund includes net earnings credits, if any, as shareholder servicing costs in the Statement of Operations.

The fund has an arrangement with the custodian whereby the fund will receive interest income or be charged overdraft fees when cash balances are maintained. For financial reporting purposes, the fund includes this interest income and overdraft fees, if any, as interest income in the Statement of Operations.

The fund compensates BNY Mellon Transfer, Inc., a wholly-owned subsidiary of the Adviser, under a transfer agency agreement for providing transfer agency and cash management services inclusive of earnings credits, if any, for the fund. The majority of transfer agency fees are comprised of amounts paid on a per account basis, while cash management fees are related to fund subscriptions and redemptions. During the period ended December 31, 2021, the fund was charged $1,368 for transfer agency services, inclusive of earnings credit, if any. These fees are included in Shareholder servicing costs in the Statement of Operations.

The fund compensates The Bank of New York Mellon under a custody agreement for providing custodial services for the fund. These fees are determined based on net assets, geographic region and transaction activity. During the period ended December 31, 2021, the fund was charged $21,022 pursuant to the custody agreement.

During the period ended December 31, 2021, the fund was charged $14,276 for services performed by the Chief Compliance Officer and his staff. These fees are included in Chief Compliance Officer fees in the Statement of Operations.

The components of "Due to BNY Mellon Investment Adviser, Inc. and affiliates" in the Statement of Assets and Liabilities consist of: management fees of $113,368, Distribution Plan fees of $19,649, custodian fees of $4,400, Chief Compliance Officer fees of $3,627 and transfer agency fees of $262, which are offset against an expense reimbursement currently in effect in the amount of $3,892.

(c) Each Board member also serves as a Board member of other funds in the BNY Mellon Family of Funds complex. Annual retainer fees and attendance fees are allocated to each fund based on net assets.

NOTE 4—Securities Transactions:

The aggregate amount of purchases and sales of investment securities, excluding short-term securities, during the period ended December 31, 2021, amounted to $157,387,822 and $166,053,511, respectively.

At December 31, 2021, the cost of investments for federal income tax purposes was $150,822,113; accordingly, accumulated net unrealized appreciation on investments was $31,992,608, consisting of $35,340,079 gross unrealized appreciation and $3,347,471 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, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting BNY Mellon Investment Portfolios) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of the Fund's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others or by other appropriate auditing procedures where replies from others were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst + Young LLP

We have served as the auditor of one or more investment companies in the BNY Mellon Family of Funds since at least 1957, but we are unable to determine the specific year.

New York, New York
February 8, 2022

IMPORTANT TAX INFORMATION (Unaudited)

For federal tax purposes, the portfolio hereby reports 99.84% of the ordinary dividends paid during the fiscal year ended December 31, 2021 as qualifying for the corporate dividends received deduction. Shareholders will receive notification in early 2022 of the percentage applicable to the preparation of their 2021 income tax returns. Also, the fund hereby reports $.1434 per share as a long-term capital gain distribution paid on March 30, 2021.

INFORMATION ABOUT THE RENEWAL OF THE FUND'S MANAGEMENT AGREEMENT (Unaudited)

At a meeting of the fund's Board of Trustees held on August 3-4, 2021, the Board considered the renewal of the fund's Management Agreement pursuant to which the Adviser provides the fund with investment advisory and administrative services (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.

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.

Comparative Analysis of the Fund's Performance and Management Fee and Expense Ratio. The Board reviewed reports prepared by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company data based on classifications provided by Thomson Reuters Lipper, which included information comparing (1) the performance of the fund's Initial shares with the performance of a group of 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 June 30, 2021, and (2) the fund's actual and contractual management fees and total expenses of the fund's Initial shares with those of the same group of funds in the Performance Group (the "Expense Group") and the fund's Initial shares and Service shares with a broader group of small-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 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. They also considered that performance generally should be considered over longer periods of time, although it is possible that long-term performance can be adversely affected by even one period of significant underperformance so that a single investment decision or theme has the ability to affect disproportionately long-term performance. The Board discussed with representatives of the Adviser the results of the comparisons and considered that the fund's total return performance was below the Performance Group and Performance Universe medians for all periods. The Board considered the relative proximity of the fund's performance to the Performance Group and/or Performance Universe median in certain periods, particularly the ten-year period when performance was only slightly below the Performance Group and Performance Universe medians. 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 four of the ten calendar years shown. Representatives of the Adviser noted that the fund had a three star Morningstar rating for its ten-year risk-adjusted return.

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 median and Expense Universe median actual management fee and the total expenses of the fund's Initial shares were lower than the Expense Group median and slightly higher than the Expense Universe median total expenses and the total expenses of the fund's Service shares were higher than the Expense Universe median total expenses.

Representatives of the Adviser stated that the Adviser has contractually agreed, until April 30, 2022, to waive receipt of its fee and/or assume the direct expenses of the fund so that the direct expenses of none of its classes (excluding Rule 12b-1 fees, taxes, interest, brokerage commissions, commitment fees on borrowings and extraordinary expenses) exceed 0.80% 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.

<u>Analysis of Profitability and Economies of Scale</u>. 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 fee 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, 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 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 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 agreed to closely monitor performance and determined to approve renewal of the Agreement only through the first quarter 2022 regular Board meeting.

- 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, subject to review no later than the next renewal consideration.

- The Board determined that the economies of scale which may accrue to the Adviser and its affiliates in connection with the management of the fund had been adequately considered by the Adviser in connection with the fee rate charged to the fund pursuant to the 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 through the first quarter 2022 regular Board meeting.

BOARD MEMBERS INFORMATION (Unaudited)

Independent Board Members

Joseph S. DiMartino (78)
Chairman of the Board (1995)

Principal Occupation During Past 5 Years:

- Director or Trustee of funds in the BNY Mellon Family of Funds and certain other entities (as described in the fund's Statement of Additional Information) (1995-Present)

Other Public Company Board Memberships During Past 5 Years:

- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (1997-Present)

No. of Portfolios for which Board Member Serves: 96

Francine J. Bovich (70)
Board Member (2015)

Principal Occupation During Past 5 Years:

- The Bradley Trusts, private trust funds, *Trustee* (2011-Present)

Other Public Company Board Memberships During Past 5 Years:

- Annaly Capital Management, Inc., a real estate investment trust, *Director* (2014-Present)

No. of Portfolios for which Board Member Serves: 54

J. Charles Cardona (66)
Board Member (2014)

Principal Occupation During Past 5 Years:

- President and Director of the Adviser (2008-2016)
- Chief Executive Officer of Dreyfus Cash Investment Strategies, a division of the Adviser (2009-2016)
- Chairman of the Distributor (2013–2016)

Other Public Company Board Memberships During Past 5 Years:

- BNY Mellon ETF Trust, *Chairman and Trustee* (2020-Present)
- BNY Mellon Liquidity Funds, *Director* (2004-Present) and *Chairman* (2019-2021)

No. of Portfolios for which Board Member Serves: 35

Andrew J. Donohue (71)
Board Member (2019)

Principal Occupation During Past 5 Years:

- Attorney, Solo Law Practice (2019-Present)
- Shearman & Sterling LLP, a law firm, Of Counsel (2017-2019)
- Chief of Staff to the Chair of the SEC (2015-2017)

Other Public Company Board Memberships During Past 5 Years:

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

No. of Portfolios for which Board Member Serves: 44

Isabel P. Dunst (74)
Board Member (2014)

Principal Occupation During Past 5 Years:

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

No. of Portfolios for which Board Member Serves: 22

Nathan Leventhal (78)
Board Member (2009)

Principal Occupation During Past 5 Years:

- Lincoln Center for the Performing Arts, *President Emeritus* (2001-Present)
- Palm Beach Opera, *President* (2016-Present)

Other Public Company Board Memberships During Past 5 Years:

- Movado Group, Inc., a public company that designs, sources, markets and distributes watches *Director* (2003-2020)

No. of Portfolios for which Board Member Serves: 32

Robin A. Melvin (58)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Westover School, a private girls' boarding school in Middlebury, Connecticut, *Trustee* (2019-Present)
- Mentor Illinois, a non-profit organization dedicated to increasing the quality of mentoring services in Illinois, *Co-Chair* (2014-2020); *Board Member*, Mentor Illinois (2013-2020)
- *JDRF, a non-profit juvenile diabetes research foundation, Board Member (June 2021-Present)*

Other Public Company Board Memberships During Past 5 Years:

- *HPS Corporate Lending Fund, a closed-end management investment company regulated as a business development company, Trustee (August 2021-Present)*

No. of Portfolios for which Board Member Serves: 74

Roslyn M. Watson (72)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Watson Ventures, Inc., a real estate investment company. *Principal* (1993-Present)

Other Public Company Board Memberships During Past 5 Years:

- American Express Bank, FSB, *Director* (1993-2018)

No. of Portfolios for which Board Member Serves: 44

Benaree Pratt Wiley (75)
Board Member (2009)

Principal Occupation During Past 5 Years:

- The Wiley Group, a firm specializing in strategy and business development, *Principal* (2005-Present)

Other Public Company Board Memberships During Past 5 Years:

- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (2008-Present)
- Blue Cross Blue Shield of Massachusetts, *Director* (2004-2020)

No. of Portfolios for which Board Member Serves: 62

Tamara Belinfanti (46)
Advisory Board Member (2021)

Principal Occupation During Past 5 Years:

- New York Law School, Lester Martin Professor of Law (2009-Present)

No. of Portfolios for which Advisory Board Member Serves: 22

Gordon J. Davis (80)
Advisory Board Member (2021)

Principal Occupation During Past 5 Years:

- Venable LLP, a law firm Partner (2012-Present)

No. of Portfolios for which Advisory Board Member Serves: 40

Once elected all Board Members serve for an indefinite term, but achieve Emeritus status upon reaching age 80. The address of the Board Members and Officers is c/o BNY Mellon Investment Adviser, Inc. 240 Greenwich Street, New York, New York 10286. Additional information about the Board Members is available in the fund's Statement of Additional Information which can be obtained from the Adviser free of charge by calling this toll free number: 1-800-373-9387.

Clifford L. Alexander, Jr., Emeritus Board Member
Whitney I. Gerard, Emeritus Board Member
George L. Perry, Emeritus Board Member

OFFICERS OF THE FUND (Unaudited)

DAVID DIPETRILLO, President since January 2021.

Vice President and Director of the Adviser since February 2021; Head of North America Product, BNY Mellon Investment Management since January 2018; Director of Product Strategy, BNY Mellon Investment Management from January 2016 to December 2017. He is an officer of 56 investment companies (comprised of 109 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 43 years old and has been an employee of BNY Mellon since 2005.

JAMES WINDELS, Treasurer since November 2001.

Vice President of the Adviser since September 2020; Director–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 63 years old and has been an employee of the Adviser since April 1985.

PETER M. SULLIVAN, Chief Legal Officer since July 2021 and Vice President and Assistant Secretary since March 2019.

Chief Legal Officer of the Adviser and Associate General Counsel of BNY Mellon since July 2021; Senior Managing Counsel of BNY Mellon from December 2020 to July 2021; Managing Counsel of BNY Mellon from March 2009 to December 2020, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 53 years old and has been an employee of BNY Mellon since April 2004.

JAMES BITETTO, Vice President since August 2005 and Secretary since February 2018.

Senior Managing Counsel of BNY Mellon since December 2019; Managing Counsel of BNY Mellon from April 2014 to December 2019; Secretary of the Adviser, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 55 years old and has been an employee of the Adviser since December 1996.

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

Managing Counsel of BNY Mellon since December 2021, Counsel of BNY Mellon from August 2018 to December 2021; and Senior Regulatory Specialist at BNY Mellon Investment Management Services from February 2016 to August 2018. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 31 years old and has been an employee of the Adviser since August 2018.

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

Vice President of BNY Mellon ETF Investment Adviser; LLC since February 2020; Senior Managing Counsel of BNY Mellon since September 2021; Managing Counsel of BNY Mellon from December 2017 to September 2021; and Senior Counsel of BNY Mellon from March 2013 to December 2017. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 46 years old and has been an employee of the Adviser since March 2013.

JEFF PRUSNOFSKY, Vice President and Assistant Secretary since August 2005.

Senior Managing Counsel of BNY Mellon, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 56 years old and has been an employee of the Adviser since October 1990.

AMANDA QUINN, Vice President and Assistant Secretary since March 2020.

Counsel of BNY Mellon since June 2019; Regulatory Administration Manager at BNY Mellon Investment Management Services from September 2018 to May 2019; and Senior Regulatory Specialist at BNY Mellon Investment Management Services from April 2015 to August 2018. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 36 years old and has been an employee of the Adviser since June 2019.

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

Chief Compliance Officer since August 2021 and Vice President since February 2020 of BNY Mellon ETF Investment Adviser, LLC; Chief Compliance Officer since August 2021 and Vice President and Assistant Secretary since February 2020 of BNY Mellon ETF Trust; Managing Counsel of BNY Mellon from December 2019 to August 2021; Counsel of BNY Mellon from May 2016 to December 2019; Assistant Secretary of the Adviser from April 2018 to August 2021. She is an officer of 56 investment companies (comprised of 129 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 36 years old and has been an employee of BNY Mellon since May 2016.

GAVIN C. REILLY, Assistant Treasurer since December 2005.

Tax Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 53 years old and has been an employee of the Adviser since April 1991.

ROBERT SALVIOLO, Assistant Treasurer since July 2007.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 54 years old and has been an employee of the Adviser since June 1989.

ROBERT SVAGNA, Assistant Treasurer since December 2002.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 54 years old and has been an employee of the Adviser since November 1990.

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

Chief Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust since 2004; Chief Compliance Officer of the Adviser from 2004 until June 2021. He is an officer of 56 investment companies (comprised of 117 portfolios) managed by the Adviser. He is 64 years old.

CARIDAD M. CAROSELLA, Anti-Money Laundering Compliance Officer since January 2016.

Anti-Money Laundering Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust. She is an officer of 49 investment companies (comprised of 122 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 53 years old and has been an employee of the Distributor since 1997.

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For More Information

BNY Mellon 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

Sub-Adviser

Newton Investment Management
North America, LLC
BNY Mellon Center
201 Washington Place
Boston, MA 02108

Custodian

The Bank of New York Mellon
240 Greenwich Street
New York, NY 10286

Transfer Agent & Dividend Disbursing Agent

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

Distributor

BNY Mellon Securities Corporation
240 Greenwich Street
New York, NY 10286

Telephone 1-800-258-4260 or 1-800-258-4261

Mail The BNY Mellon Family of Funds, 144 Glenn Curtiss Boulevard, Uniondale, NY 11556-0144 Attn: Institutional Services Department

E-mail Send your request to info@bnymellon.com

Internet Information can be viewed online or downloaded at www.im.bnymellon.com

The fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-PORT. The fund's Forms N-PORT are available on the SEC's website at www.sec.gov.

A description of the policies and procedures that the fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the fund voted these proxies for the most recent 12-month period ended June 30 is available at www.im.bnymellon.com and on the SEC's website at www.sec.gov and without charge, upon request, by calling 1-800-373-9387.

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BNY MELLON
INVESTMENT MANAGEMENT

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

ANNUAL REPORT
December 31, 2021

BNY MELLON
INVESTMENT MANAGEMENT

Save time. Save paper. View your next shareholder report online as soon as it's available. Log into www.im.bnymellon.com and sign up for eCommunications. It's simple and only takes a few minutes.

The views expressed in this report reflect those of the portfolio manager(s) only through the end of the period covered and do not necessarily represent the views of BNY Mellon Investment Adviser, Inc. or any other person in the BNY Mellon Investment Adviser, Inc. organization. Any such views are subject to change at any time based upon market or other conditions and BNY Mellon Investment Adviser, Inc. disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a fund in the BNY Mellon Family of Funds are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any fund in the BNY Mellon Family of Funds.

Contents

THE FUND

FOR MORE INFORMATION

DISCUSSION OF FUND PERFORMANCE (Unaudited)

For the period from January 1, 2021 through December 31, 2021, as provided by portfolio managers Charles French and Yuko Takano of Newton Investment Management Limited, Sub-Investment Adviser

Market and Fund Performance Overview

For the 12-month period ended December 31, 2021, BNY Mellon Sustainable U.S. Equity Portfolio, Inc. (the "fund") Initial shares produced a total return of 27.00%, and the fund's Service shares returned 26.68%.[1] In comparison, the fund's benchmark, the S&P 500® Index (the "Index"), produced a total return of 28.70% for the same period.[2]

U.S. equities rose during the reporting period, supported by government stimulus programs, accommodative central bank policies, strong corporate earnings and improving investor sentiment as vaccines for the COVID-19 pandemic rolled out. The fund underperformed the Index, largely due to security selection in the health care sector, as well as disappointing selections in consumer discretionary and financials.

The Fund's Investment Approach

The fund seeks long-term capital appreciation. To pursue its goal, the fund normally invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of U.S. companies that demonstrate attractive investment attributes and sustainable business practices and have no material, unresolvable, environmental, social and governance (ESG) issues. The fund invests principally in common stocks, focusing on companies with market capitalizations of $5 billion or more at the time of purchase. The fund may invest up to 20% of its assets in the stocks of foreign companies, including up to 10% in the stocks of companies in emerging-market countries.

We use quantitative and qualitative fundamental analyses to identify attractively priced companies with good products, strong management and strategic direction that have adopted, or are making progress toward, a sustainable business approach. We employ an investment process that combines investment themes with fundamental research and analysis to select stocks for the fund's portfolio.

Equities Advance in the Face of Challenges

U.S. equities made further headway as they passed the first anniversary of the coronavirus pandemic. Although fresh lockdowns were enforced across several major economies, the accelerating rollout of COVID-19 vaccination programs and the promising results witnessed in those countries most advanced in this process bolstered investors' risk appetite. By contrast, the influence of monetary accommodation, which undoubtedly provided critical support for financial asset prices, took a somewhat different turn. With reflation underway and an elevated pace of growth expected in the second half of the year, investors began to anticipate a dialing back of the exceptional levels of monetary stimulus provided earlier in the pandemic. This contributed to a sharp rise in government bond yields early in 2021, with the long end of the U.S. Treasury market experiencing its worst quarter since 1980. The nature of fiscal stimulus also continued to evolve as President Biden formally announced his long-awaited $1.2 trillion infrastructure program.

U.S. equities continued to advance during the second half of the period, drawing strength from an impressive slate of U.S. economic data, robust corporate earnings and further evidence that vaccination programs could be paving the way for a full reopening of economies. However, as the year progressed, the widening scope of regulatory intervention within China unnerved investors. Concerns were heightened by the possibility that The China Evergrande Group, a highly indebted

Chinese property developer, might default on its loans and trigger a broader crisis in the property and financial sectors. Higher energy prices, goods shortages and wage-inflation numbers led to the suggestion that monetary stimulus could be 'tapered' and interest rates moved higher. Nevertheless, U.S. equities continued on an upward trajectory, taking the prospect of monetary policy tightening and the travails of President Biden's 'Build Back Better' bill in their stride, until the new COVID-19 Omicron variant came to the fore. Omicron's highly mutated profile initially provoked draconian responses from several governments, which, in turn, undermined risk appetite. Shortly afterwards, the picture for U.S. equities was muddied still further when Jerome Powell, Chair of the U.S. Federal Reserve (the "Fed"), surprised markets by embracing a more hawkish tone with regard to the tapering of the Fed's asset-purchase program. However, risk assets recovered into the end of the year. Financial markets proved equally resilient to the incrementally hawkish rhetoric that emanated from the Fed's December meeting, implying that such concerns had already been well discounted.

Health Care Selections Detract from Relative Returns

Stock selection in the communication services, consumer staples, industrials, materials and information technology sectors had a positive impact on the portfolio's relative returns. Overweight exposure to information technology further bolstered performance, as did underweight exposure to the lagging communication services and industrials sectors. Top-performing individual holdings included business strategy and consulting firm Accenture and semiconductor equipment maker Applied Materials. Accenture shares rose in response to a succession of strong quarterly results that displayed broad-based revenue growth. Given the robust nature of the demand environment and strength of the digital transformation trend, management raised revenue guidance toward the end of the review period. Applied Materials performed well over the start of the year on the positive implications of Taiwan Semiconductor Manufacturing Company's plans to dramatically increase capital expenditure in 2021. Shares continued to trend higher on an increasingly optimistic outlook for demand and revenue, shrugging off intermittent worries around the semiconductor cycle. Despite supply constraints weighing on results toward the end of 2021, the underlying demand environment continued to be robust with management remaining bullish on the secular opportunity.

On the other hand, the portfolio's relative performance suffered due to disappointing stock selections in health care and, to a lesser extent, consumer discretionary and financials. Lack of exposure to energy and real estate also detracted from relative returns. Notably weak individual holdings included medical device company Medtronic and fintech firm Fidelity National Information Services. Medtronic shares fell as sales expectations for its renal denervation product were curbed following news that a key study would need to continue until completion, thus delaying any potential FDA (Food and Drug Administration) filing. The subsequent receipt of a warning letter from the same agency relating to manufacturing issues with the company's MiniMed insulin pumps represented a further setback, raising concerns around a broader slowdown in product approvals. Fidelity National Information Services shares struggled at the start of 2021 due to the pandemic-related squeeze on consumer spending. Shares subsequently fell in the second half of the year as financial results failed to meet some lofty expectations.

Taking a Thematic and Fundamental Approach

Although the direction of bond yields is likely to be a key determinant of equity markets, we remain focused on our thematic and fundamental stock-selection approach, taking into consideration how rapidly shifting the backdrop may continue to be and the likely volatility that will be encountered as the market reacts to the removal of central bank stimulus measures. At Newton, our themes allow us to identify investment opportunities, while steering us away from longer-term structural threats and guiding our capital allocation and portfolio construction. A focus on the sustainability of our investments also plays a key role in ensuring that the portfolio is effectively positioned for the longer term. We continue to seek out opportunities that are able to manage the potential dynamic tension between the three vectors of financial returns, social consequences and environmental impacts.

As we continue to manage the portfolio very much in line with our thematic and fundamental views, our positioning remains broadly consistent at the sector level. We maintain a sizeable overweight to information technology, although we trimmed several holdings on share-price strength in the fourth quarter of 2021. Nevertheless, with low-cost computing power being dominated by so few companies, we remain positive on prospects for the sector's growth.

January 18, 2022

[1] *Total return includes reinvestment of dividends and any capital gains paid. Past performance is no guarantee of future results. Share price and investment return fluctuate such that upon redemption, fund shares may be worth more or less than their original cost. The fund's return reflects the absorption of certain fund expenses by BNY Mellon Investment Adviser, Inc. pursuant to an agreement in effect through April 30, 2022, at which time it may be extended, modified or terminated. Had these expenses not been absorbed, returns would have been lower.*

[2] *Source: Lipper Inc. — The S&P 500® Index is widely regarded as the best single gauge of large-cap U.S. equities. The Index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Investors cannot invest directly in any index.*

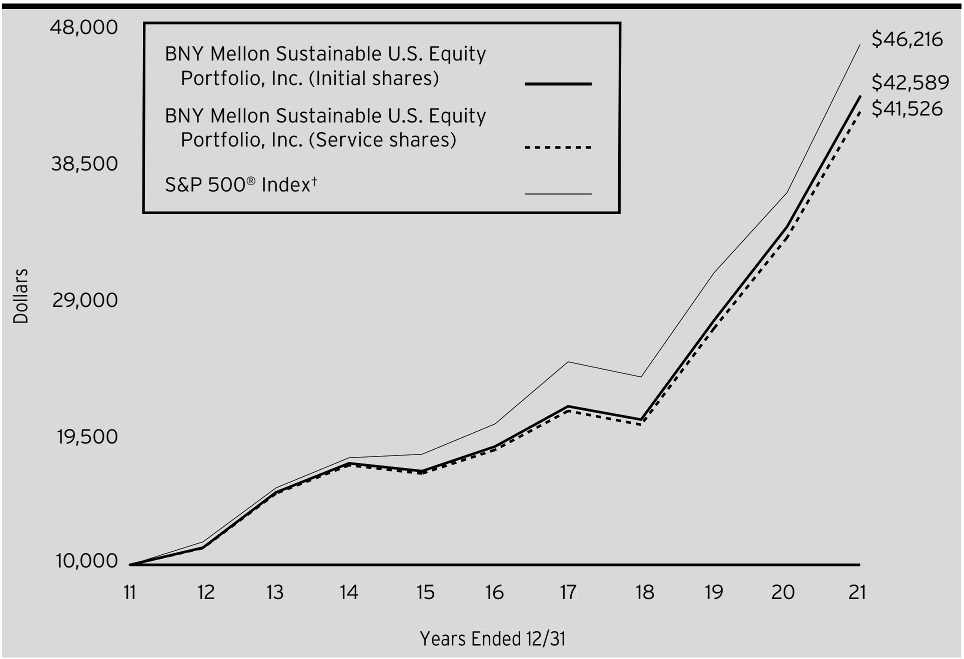
Equities are subject generally to market, market sector, market liquidity, issuer and investment style risks, among other factors, to varying degrees, all of which are more fully described in the fund's prospectus.

References to specific securities, asset classes and financial markets are for illustrative purposes only and are not intended to be and should not be interpreted as recommendations.

Recent market risks include pandemic risks related to COVID-19. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. To the extent the fund may overweight its investments in certain countries, companies, industries or market sectors, such positions will increase the fund's exposure to risk of loss from adverse developments affecting those countries, companies, industries or sectors.

The fund's consideration of ESG issues in the securities selection process may cause the fund to perform differently from funds that do not integrate consideration of ESG issues when selecting investments.

The fund is only available as a funding vehicle under variable life insurance policies or variable annuity contracts issued by insurance companies. Individuals may not purchase shares of the fund directly. A variable annuity is an insurance contract issued by an insurance company that enables investors to accumulate assets on a tax-deferred basis for retirement or other long-term goals. The investment objective and policies of BNY Mellon Sustainable U.S. Equity Portfolio, Inc., made available through insurance products, may be similar to those of other funds managed by BNY Mellon Investment Adviser, Inc. However, the investment results of the fund may be higher or lower than, and may not be comparable to, those of any other BNY Mellon Investment Adviser, Inc. fund.



Comparison of change in value of a $10,000 investment in Initial shares and Service shares of BNY Mellon Sustainable U.S. Equity Portfolio, Inc. with a hypothetical investment of $10,000 in the S&P 500® Index (the "Index").

† *Source: Lipper Inc.*

Past performance is not predictive of future performance. The fund's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in variable insurance contracts which will reduce returns.

The above graph compares a hypothetical $10,000 investment made in Initial shares and Service shares of BNY Mellon Sustainable U.S. Equity Portfolio, Inc. on 12/31/11 to a hypothetical investment of $10,000 made in the Index on that date.

The fund's performance shown in the line graph above takes into account all applicable fund fees and expenses for Initial shares and Service shares (after any expense reimbursements). The Index is widely regarded as the best single gauge of large-cap U.S. equities. The Index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Unlike a mutual fund, the Index is not subject to charges, fees and other expenses. Investors cannot invest directly in any index. Further information relating to fund performance, including expense reimbursements, if applicable, is contained in the Financial Highlights section of the prospectus and elsewhere in this report.

Average Annual Total Returns as of 12/31/2021			
	1 Year	5 Years	10 Years
Initial shares	**27.00%**	**18.49%**	**15.59%**
Service shares	**26.68%**	**18.20%**	**15.30%**
S&P 500® Index	**28.70%**	**18.47%**	**16.54%**

The performance data quoted represents past performance, which is no guarantee of future results. Share price and investment return fluctuate and an investor's shares may be worth more or less than original cost upon redemption. Current performance may be lower or higher than the performance quoted. Go to www.im.bnymellon.com for the fund's most recent month-end returns.

The fund's Initial shares are not subject to a Rule 12b-1 fee. The fund's Service shares are subject to a 0.25% annual Rule 12b-1 fee. All dividends and capital gain distributions are reinvested.

The fund's performance shown in the graph and table does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

UNDERSTANDING YOUR FUND'S EXPENSES (Unaudited)

As a mutual fund investor, you pay ongoing expenses, such as management fees and other expenses. Using the information below, you can estimate how these expenses affect your investment and compare them with the expenses of other funds. You also may pay one-time transaction expenses, including sales charges (loads), redemption fees and expenses associated with variable annuity or insurance contracts, which are not shown in this section and would have resulted in higher total expenses. For more information, see your fund's prospectus or talk to your financial adviser.

Review your fund's expenses

The table below shows the expenses you would have paid on a $1,000 investment in BNY Mellon Sustainable U.S. Equity Portfolio, Inc. from July 1, 2021 to December 31, 2021. It also shows how much a $1,000 investment would be worth at the close of the period, assuming actual returns and expenses.

Expenses and Value of a $1,000 Investment
Assume actual returns for the six months ended December 31, 2021

	Initial Shares	Service Shares
Expenses paid per $1,000†	$3.59	$4.92
Ending value (after expenses)	$1,123.60	$1,122.40

COMPARING YOUR FUND'S EXPENSES WITH THOSE OF OTHER FUNDS (Unaudited)

Using the SEC's method to compare expenses

The Securities and Exchange Commission ("SEC") has established guidelines to help investors assess fund expenses. Per these guidelines, the table below shows your fund's expenses based on a $1,000 investment, assuming a hypothetical 5% annualized return. You can use this information to compare the ongoing expenses (but not transaction expenses or total cost) of investing in the fund with those of other funds. All mutual fund shareholder reports will provide this information to help you make this comparison. Please note that you cannot use this information to estimate your actual ending account balance and expenses paid during the period.

Expenses and Value of a $1,000 Investment
Assuming a hypothetical 5% annualized return for the six months ended December 31, 2021

	Initial Shares	Service Shares
Expenses paid per $1,000†	$3.41	$4.69
Ending value (after expenses)	$1,021.83	$1,020.57

† *Expenses are equal to the fund's annualized expense ratio of .67% for Initial Shares and .92% for Service Shares, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).*

STATEMENT OF INVESTMENTS

December 31, 2021

Description	Shares	Value ($)
Common Stocks - 99.0%		
Banks - 7.7%		
Citigroup	120,790	7,294,508
First Republic Bank	47,324	9,772,879
JPMorgan Chase & Co.	66,312	10,500,505
		27,567,892
Capital Goods - 2.5%		
Ferguson	41,166	7,302,137
Otis Worldwide	20,737	1,805,571
		9,107,708
Consumer Durables & Apparel - 6.1%		
Lennar, Cl. A	89,880	10,440,461
NIKE, Cl. B	67,840	11,306,893
		21,747,354
Diversified Financials - 2.5%		
The Goldman Sachs Group	23,858	**9,126,878**
Food & Staples Retailing - 2.9%		
Costco Wholesale	18,195	**10,329,302**
Food, Beverage & Tobacco - 3.0%		
Beyond Meat	7,211 [a]	469,869
PepsiCo	58,923	10,235,514
		10,705,383
Health Care Equipment & Services - 8.3%		
Abbott Laboratories	83,817	11,796,405
Medtronic	83,751	8,664,041
The Cooper Companies	21,927	9,186,097
		29,646,543
Materials - 4.6%		
Albemarle	39,283	9,183,187
Ecolab	31,071	7,288,946
		16,472,133
Media & Entertainment - 4.7%		
Alphabet, Cl. A	5,879 [a]	**17,031,698**
Pharmaceuticals Biotechnology & Life Sciences - 1.5%		
Merck & Co.	68,959	**5,285,018**
Retailing - 10.5%		
Amazon.com	6,062 [a]	20,212,769
Dollar General	31,906	7,524,392
eBay	147,410	9,802,765
		37,539,926
Semiconductors & Semiconductor Equipment - 6.8%		
Applied Materials	62,804	9,882,838
Qualcomm	35,035	6,406,851

Description	1-Day Yield (%)	Shares	Value ($)
Common Stocks - 99.0% (continued)			
Semiconductors & Semiconductor Equipment - 6.8% (continued)			
Texas Instruments		43,034	8,110,618
			24,400,307
Software & Services - 22.1%			
Accenture, Cl. A		39,957	16,564,174
Fidelity National Information Services		45,874	5,007,147
Intuit		18,151	11,675,086
Mastercard, Cl. A		25,619	9,205,419
Microsoft		77,469	26,054,374
salesforce.com		42,970 [a]	10,919,966
			79,426,166
Technology Hardware & Equipment - 9.8%			
Apple		148,319	26,337,005
TE Connectivity		53,927	8,700,582
			35,037,587
Telecommunication Services - .9%			
Verizon Communications		63,769	**3,313,437**
Transportation - 1.9%			
Norfolk Southern		23,209	**6,909,551**
Utilities - 3.2%			
CMS Energy		83,128	5,407,477
Eversource Energy		67,648	6,154,615
			11,562,092
Total Common Stocks (cost $183,707,068)			**355,208,975**
Investment Companies - 1.0%			
Registered Investment Companies - 1.0%			
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares (cost $3,481,838)	0.07	3,481,838 [b]	**3,481,838**
Total Investments (cost $187,188,906)		**100.0%**	**358,690,813**
Liabilities, Less Cash and Receivables		**(.0%)**	**(151,091)**
Net Assets		**100.0%**	**358,539,722**

[a] *Non-income producing security.*

[b] *Investment in affiliated issuer. The investment objective of this investment company is publicly available and can be found within the investment company's prospectus.*

Portfolio Summary (Unaudited) †	Value (%)
Information Technology	38.7
Consumer Discretionary	16.5
Financials	10.2
Health Care	9.7
Consumer Staples	5.9
Communication Services	5.7
Materials	4.6
Industrials	4.5
Utilities	3.2
Investment Companies	1.0
	100.0

† *Based on net assets.*
See notes to financial statements.

Description	Value ($) 12/31/2020	Purchases ($)†	Sales ($)	Value ($) 12/31/2021	Dividends/ Distributions ($)
Registered Investment Companies - 1.0%					
Dreyfus Institutional Preferred Government Plus Money Market Fund, Institutional Shares - 1.0%	3,426,748	42,428,578	(42,373,488)	3,481,838	2,811

† *Includes reinvested dividends/distributions.*

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

December 31, 2021

	Cost	Value
Assets ($):		
Investments in securities—See Statement of Investments		
Unaffiliated issuers	183,707,068	355,208,975
Affiliated issuers	3,481,838	3,481,838
Dividends receivable		195,070
Receivable for shares of Common Stock subscribed		45,464
Prepaid expenses		5,113
		358,936,460
Liabilities ($):		
Due to BNY Mellon Investment Adviser, Inc. and affiliates—Note 3(c)		193,602
Payable for shares of Common Stock redeemed		126,464
Directors' fees and expenses payable		3,857
Other accrued expenses		72,815
		396,738
Net Assets ($)		**358,539,722**
Composition of Net Assets ($):		
Paid-in capital		164,853,418
Total distributable earnings (loss)		193,686,304
Net Assets ($)		**358,539,722**

Net Asset Value Per Share	Initial Shares	Service Shares
Net Assets ($)	328,328,461	30,211,261
Shares Outstanding	5,652,984	528,657
Net Asset Value Per Share ($)	**58.08**	**57.15**

See notes to financial statements.

STATEMENT OF OPERATIONS

Year Ended December 31, 2021

Investment Income ($):	
Income:	
Cash dividends:	
Unaffiliated issuers	3,734,838
Affiliated issuers	2,811
Total Income	**3,737,649**
Expenses:	
Management fee—Note 3(a)	1,973,170
Professional fees	113,623
Distribution fees—Note 3(b)	59,330
Prospectus and shareholders' reports	45,226
Directors' fees and expenses—Note 3(d)	23,644
Chief Compliance Officer fees—Note 3(c)	14,276
Custodian fees—Note 3(c)	6,539
Shareholder servicing costs—Note 3(c)	6,443
Loan commitment fees—Note 2	5,453
Miscellaneous	25,004
Total Expenses	**2,272,708**
Investment Income—Net	**1,464,941**
Realized and Unrealized Gain (Loss) on Investments—Note 4 ($):	
Net realized gain (loss) on investments and foreign currency transactions	20,900,897
Net realized gain (loss) on forward foreign currency exchange contracts	(50)
Net Realized Gain (Loss)	**20,900,847**
Net change in unrealized appreciation (depreciation) on investments and foreign currency transactions	55,727,208
Net change in unrealized appreciation (depreciation) on forward foreign currency exchange contracts	66
Net Change in Unrealized Appreciation (Depreciation)	**55,727,274**
Net Realized and Unrealized Gain (Loss) on Investments	**76,628,121**
Net Increase in Net Assets Resulting from Operations	**78,093,062**

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Year Ended December 31,	
	2021	2020
Operations ($):		
Investment income—net	1,464,941	2,443,416
Net realized gain (loss) on investments	20,900,847	7,395,059
Net change in unrealized appreciation (depreciation) on investments	55,727,274	48,215,379
Net Increase (Decrease) in Net Assets Resulting from Operations	**78,093,062**	**58,053,854**
Distributions ($):		
Distributions to shareholders:		
Initial Shares	(9,105,383)	(5,450,358)
Service Shares	(620,217)	(278,338)
Total Distributions	**(9,725,600)**	**(5,728,696)**
Capital Stock Transactions ($):		
Net proceeds from shares sold:		
Initial Shares	14,996,495	13,185,483
Service Shares	8,532,661	5,892,682
Distributions reinvested:		
Initial Shares	9,105,383	5,450,358
Service Shares	620,217	278,338
Cost of shares redeemed:		
Initial Shares	(36,743,574)	(27,686,362)
Service Shares	(2,033,408)	(4,001,592)
Increase (Decrease) in Net Assets from Capital Stock Transactions	**(5,522,226)**	**(6,881,093)**
Total Increase (Decrease) in Net Assets	**62,845,236**	**45,444,065**
Net Assets ($):		
Beginning of Period	295,694,486	250,250,421
End of Period	**358,539,722**	**295,694,486**
Capital Share Transactions (Shares):		
Initial Shares		
Shares sold	285,446	337,739
Shares issued for distributions reinvested	191,290	195,143
Shares redeemed	(699,072)	(695,969)
Net Increase (Decrease) in Shares Outstanding	**(222,336)**	**(163,087)**
Service Shares		
Shares sold	165,009	145,537
Shares issued for distributions reinvested	13,216	10,096
Shares redeemed	(39,340)	(100,741)
Net Increase (Decrease) in Shares Outstanding	**138,885**	**54,892**

See notes to financial statements.

FINANCIAL HIGHLIGHTS

The following tables describe the performance for each share class for the fiscal periods indicated. All information (except portfolio turnover rate) reflects financial results for a single fund share. Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period. Net asset value total return includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions. The fund's total returns do not reflect expenses associated with variable annuity or insurance contracts. These figures have been derived from the fund's financial statements.

	Year Ended December 31,				
Initial Shares	2021	2020	2019	2018	2017
Per Share Data ($):					
Net asset value, beginning of period	47.24	39.30	30.73	40.27	37.86
Investment Operations:					
Investment income—net[a]	.24	.39	.40	.41	.38
Net realized and unrealized gain (loss) on investments	12.17	8.47	9.85	(1.69)	5.14
Total from Investment Operations	12.41	8.86	10.25	(1.28)	5.52
Distributions:					
Dividends from investment income—net	(.40)	(.44)	(.52)	(.71)	(.46)
Dividends from net realized gain on investments	(1.17)	(.48)	(1.16)	(7.55)	(2.65)
Total Distributions	(1.57)	(.92)	(1.68)	(8.26)	(3.11)
Net asset value, end of period	58.08	47.24	39.30	30.73	40.27
Total Return (%)	27.00	24.14	34.36	(4.41)	15.33
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	.67	.68	.68	.74	.80
Ratio of net expenses to average net assets	.67	.68	.68	.70	.77
Ratio of net investment income to average net assets	.46	.97	1.14	1.19	.99
Portfolio Turnover Rate	13.23	24.81	25.43	51.68	119.51
Net Assets, end of period ($ x 1,000)	328,328	277,555	237,287	193,538	226,078

[a] *Based on average shares outstanding.*

See notes to financial statements.

	Year Ended December 31,				
Service Shares	2021	2020	2019	2018	2017
Per Share Data ($):					
Net asset value, beginning of period	46.54	38.71	30.30	39.80	37.46
Investment Operations:					
Investment income—net[a]	.10	.29	.31	.32	.28
Net realized and unrealized gain (loss) on investments	11.99	8.38	9.71	(1.66)	5.08
Total from Investment Operations	12.09	8.67	10.02	(1.34)	5.36
Distributions:					
Dividends from investment income—net	(.31)	(.36)	(.45)	(.61)	(.37)
Dividends from net realized gain on investments	(1.17)	(.48)	(1.16)	(7.55)	(2.65)
Total Distributions	(1.48)	(.84)	(1.61)	(8.16)	(3.02)
Net asset value, end of period	57.15	46.54	38.71	30.30	39.80
Total Return (%)	26.68	23.86	34.01	(4.64)	15.04
Ratios/Supplemental Data (%):					
Ratio of total expenses to average net assets	.92	.93	.93	.99	1.05
Ratio of net expenses to average net assets	.92	.93	.93	.95	1.02
Ratio of net investment income to average net assets	.20	.72	.88	.95	.74
Portfolio Turnover Rate	13.23	24.81	25.43	51.68	119.51
Net Assets, end of period ($ x 1,000)	30,211	18,139	12,964	9,410	10,274

[a] *Based on average shares outstanding.*
See notes to financial statements.

NOTE 1—Significant Accounting Policies:

BNY Mellon Sustainable U.S. Equity Portfolio, Inc. (the "fund"), which is registered under the Investment Company Act of 1940, as amended (the "Act"), is a diversified open-end management investment company. The fund is only offered to separate accounts established by insurance companies to fund variable annuity contracts and variable life insurance policies. The fund's investment objective is to seek long-term capital appreciation. BNY Mellon Investment Adviser, Inc. (the "Adviser"), a wholly-owned subsidiary of The Bank of New York Mellon Corporation ("BNY Mellon"), serves as the fund's investment adviser. Newton Investment Management Limited (the "Sub-Adviser"), a wholly-owned subsidiary of BNY Mellon and an affiliate of the Adviser, serves as the fund's sub-investment adviser.

BNY Mellon Securities Corporation (the "Distributor"), a wholly-owned subsidiary of the Adviser, is the distributor of the fund's shares, which are sold without a sales charge. The fund is authorized to issue 150 million shares of $.001 par value Common Stock in each of the following classes of shares: Initial and Service. Initial shares are subject to a Shareholder Services Plan fee and Service shares are subject to a Distribution Plan fee. Each class of shares has identical rights and privileges, except with respect to the Distribution Plan, Shareholder Services Plan and the expenses borne by each class, the allocation of certain transfer agency costs, and certain voting rights. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets.

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") is the exclusive reference of authoritative U.S. generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund is an investment company and applies the accounting and reporting guidance of the FASB ASC Topic 946 Financial Services-Investment Companies. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

The fund enters into contracts that contain a variety of indemnifications. The fund's maximum exposure under these arrangements is unknown. The fund does not anticipate recognizing any loss related to these arrangements.

(a) Portfolio valuation: The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

Various inputs are used in determining the value of the fund's investments relating to fair value measurements. These inputs are summarized in the three broad levels listed below:

Level 1—unadjusted quoted prices in active markets for identical investments.

Level 2—other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.).

Level 3—significant unobservable inputs (including the fund's own assumptions in determining the fair value of investments).

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

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

Investments in equity securities are valued at the last sales price on the securities exchange or national securities market on which such securities are primarily traded. Securities listed on the National Market System for which market quotations are available are valued at the official closing price or, if there is no official closing price that day, at the last sales price. For open short positions, asked prices are used for valuation purposes. Bid price is used when no asked price is available. Registered investment companies that are not traded on an exchange are valued at their net asset value. All of the preceding securities are generally categorized within Level 1 of the fair value hierarchy.

Securities not listed on an exchange or the national securities market, or securities for which there were no transactions, are valued at the average of the most recent bid and asked prices. These securities are generally categorized within Level 2 of the fair value hierarchy.

Fair valuing of securities may be determined with the assistance of a pricing service using calculations based on indices of domestic securities and other appropriate indicators, such as prices of relevant American Depository Receipts and futures. Utilizing these techniques may result in transfers between Level 1 and Level 2 of the fair value hierarchy.

When market quotations or official closing prices are not readily available, or are determined not to accurately reflect fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded (for example, a foreign exchange or market), but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the fund's Board of Directors (the "Board"). Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized within Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used.

For securities where observable inputs are limited, assumptions about market activity and risk are used and such securities are generally categorized within Level 3 of the fair value hierarchy.

Investments denominated in foreign currencies are translated to U.S. dollars at the prevailing rates of exchange.

The following is a summary of the inputs used as of December 31, 2021 in valuing the fund's investments:

	Level 1- Unadjusted Quoted Prices	Level 2- Other Significant Observable Inputs	Level 3- Significant Unobservable Inputs	**Total**
Assets ($)				
Investments in Securities:†				
Equity Securities - Common Stocks	355,208,975	-	-	**355,208,975**

	Level 1- Unadjusted Quoted Prices	Level 2- Other Significant Observable Inputs	Level 3- Significant Unobservable Inputs	**Total**
Assets ($)(continued)				
Investments in Securities:†(continued)				
Investment Companies	3,481,838	-	-	**3,481,838**

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

(b) Foreign currency transactions: The fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in the market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss on investments.

Net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized on securities transactions between trade and settlement date, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments resulting from changes in exchange rates. Foreign currency gains and losses on foreign currency transactions are also included with net realized and unrealized gain or loss on investments.

(c) Securities transactions and investment income: Securities transactions are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income is recognized on the ex-dividend date and interest income, including, where applicable, accretion of discount and amortization of premium on investments, is recognized on the accrual basis.

(d) Affiliated issuers: Investments in other investment companies advised by the Adviser are considered "affiliated" under the Act.

(e) Risk: Certain events particular to the industries in which the fund's investments conduct their operations, as well as general economic, political and public health conditions, may have a significant negative impact on the investee's operations and profitability. In addition, turbulence in financial markets and reduced liquidity in equity, credit and/or fixed income markets may negatively affect many issuers, which could adversely affect the fund. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies world-wide. Recent examples include pandemic risks related to COVID-19 and aggressive measures taken world-wide in response by governments, including closing borders, restricting international and domestic travel, and the imposition of prolonged quarantines of large populations, and by businesses, including changes to operations and reducing staff. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. The COVID-19 pandemic has had, and any other outbreak of an infectious disease or other serious public health concern could have, a significant negative impact on economic and market conditions and could trigger a prolonged period of global economic slowdown. To the extent the fund may overweight its investments in certain countries, companies, industries or market sectors, such positions will increase the fund's exposure to risk of loss from adverse developments affecting those countries, companies, industries or sectors.

(f) Dividends and distributions to shareholders: Dividends and distributions are recorded on the ex-dividend date. Dividends from investment income-net and dividends from net realized capital gains, if any, are normally declared and paid annually, but the fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code of 1986, as amended (the "Code"). To the extent that net realized capital gains can be offset by capital loss carryovers, it is the policy of the fund not to distribute such gains. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

(g) Federal income taxes: It is the policy of the fund to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the applicable provisions of the Code, and to make distributions of taxable income and net realized capital gain sufficient to relieve it from substantially all federal income and excise taxes.

As of and during the period ended December 31, 2021, the fund did not have any liabilities for any uncertain tax positions. The fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended December 31, 2021, the fund did not incur any interest or penalties.

Each tax year in the four-year period ended December 31, 2021 remains subject to examination by the Internal Revenue Service and state taxing authorities.

At December 31, 2021, the components of accumulated earnings on a tax basis were as follows: undistributed ordinary income $2,473,119, undistributed capital gains $19,887,112 and unrealized appreciation $171,326,073.

The tax character of distributions paid to shareholders during the fiscal periods ended December 31, 2021 and December 31, 2020 were as follows: ordinary income $5,202,309 and $3,974,173, and long-term capital gains $4,523,291 and $1,754,523, respectively.

NOTE 2—Bank Lines of Credit:

The fund participates with other long-term open-end funds managed by the Adviser in a $823.5 million unsecured credit facility led by Citibank, N.A. (the "Citibank Credit Facility") and a $300 million unsecured credit facility provided by The Bank of New York Mellon (the "BNYM Credit Facility"), each to be utilized primarily for temporary or emergency purposes, including the financing of redemptions (each, a "Facility"). The Citibank Credit Facility is available in two tranches: (i) Tranche A is in an amount equal to $688.5 million and is available to all long-term open-ended funds, including the fund, and (ii) Tranche B is an amount equal to $135 million and is available only to BNY Mellon Floating Rate Income Fund, a series of BNY Mellon Investment Funds IV, Inc. In connection therewith, the fund has agreed to pay its pro rata portion of commitment fees for Tranche A of the Citibank Credit Facility and the BNYM Credit Facility. Interest is charged to the fund based on rates determined pursuant to the terms of the respective Facility at the time of borrowing. During the period ended December 31, 2021, the fund did not borrow under the Facilities.

NOTE 3—Management Fee, Sub-Investment Advisory Fee and Other Transactions with Affiliates:

(a) Pursuant to the management agreement with the Adviser, the management fee is computed at an annual rate of .60% of the value of the fund's average daily net assets and is payable monthly. The Adviser has contractually agreed, from January 1, 2021 through April 30, 2022, to waive receipt of its fees and/or assume the direct expenses of the fund, so that the direct expenses of none of the classes (excluding Rule 12b-1 Distribution Plan fees, Shareholder Services Plan fees, taxes, interest expense, brokerage commission, commitment fees on borrowings and extraordinary expenses) exceed .70% of the value of the fund's average daily net assets. On or after April 30, 2022, the Adviser may terminate this expense limitation agreement at any time. During the period ended December 31, 2021, there was no expense reimbursement pursuant to the undertaking.

Pursuant to a sub-investment advisory agreement between the Adviser and the Sub-Adviser, the Sub-Adviser serves as the fund's sub-investment adviser responsible for the day-to-day management of the fund's portfolio. The Adviser pays the sub-investment adviser a monthly fee at an annual percentage of the value of the fund's average daily net assets. The Adviser has obtained an exemptive order from the SEC (the "Order"), upon which the fund may rely, to use a manager of managers approach that permits the Adviser, subject to certain conditions and approval by the Board, to enter into and materially amend sub-investment advisory agreements with one or more sub-investment advisers who are either unaffiliated with the Adviser or are wholly-owned subsidiaries (as defined under the Act) of the Adviser's ultimate parent company, BNY Mellon, without obtaining shareholder approval. The Order also allows the fund to disclose the sub-investment advisory fee paid by the Adviser to any unaffiliated sub-investment adviser in the aggregate with other unaffiliated sub-investment advisers in documents filed with the SEC and provided to shareholders. In addition, pursuant to the Order, it is not necessary to disclose the sub-investment advisory fee payable by the Adviser separately to a sub-investment adviser that is a wholly-owned subsidiary of BNY Mellon in documents filed with the SEC and provided to shareholders; such fees are to be aggregated with fees payable to the Adviser. The Adviser has ultimate responsibility (subject to oversight by the Board) to supervise any sub-investment adviser and recommend the hiring, termination, and replacement of any sub-investment adviser to the Board.

(b) Under the Distribution Plan adopted pursuant to Rule 12b-1 under the Act, Service shares pay the Distributor for distributing its shares, for servicing and/or maintaining Service shares' shareholder accounts and for advertising and marketing for Service shares. The Distribution Plan provides for payments to be made at an annual rate of .25% of the value of the Service shares' average daily net assets. The Distributor may make payments to Participating Insurance Companies and to brokers and dealers acting as principal underwriter for their variable insurance products. The fees payable under the Distribution Plan are payable without regard to actual expenses incurred. During the period ended December 31, 2021, Service shares were charged $59,330 pursuant to the Distribution Plan.

(c) Under the Shareholder Services Plan, Initial shares reimburse the Distributor at an amount not to exceed an annual rate of .25% of the value of its average daily net assets for certain allocated expenses with respect to servicing and/or maintaining Initial shares' shareholder accounts. During the period ended December 31, 2021, Initial shares were charged $4,502 pursuant to the Shareholder Services Plan.

The fund has an arrangement with the transfer agent whereby the fund may receive earnings credits when positive cash balances are maintained, which are used to offset transfer agency fees. For financial reporting purposes, the fund includes net earnings credits, if any, as shareholder servicing costs in the Statement of Operations.

The fund has an arrangement with the custodian whereby the fund will receive interest income or be charged overdraft fees when cash balances are maintained. For financial reporting purposes, the fund includes this interest income and overdraft fees, if any, as interest income in the Statement of Operations.

The fund compensates BNY Mellon Transfer, Inc., a wholly-owned subsidiary of the Adviser, under a transfer agency agreement for providing transfer agency and cash management services inclusive of earnings credits, if any, for the fund. The majority of transfer agency fees are comprised of amounts paid on a per account basis, while cash management fees are related to fund subscriptions and redemptions. During the period ended December 31, 2021, the fund was charged $1,687 for transfer agency services, inclusive of earnings credit, if any. These fees are included in Shareholder servicing costs in the Statement of Operations.

The fund compensates The Bank of New York Mellon under a custody agreement for providing custodial services for the fund. These fees are determined based on net assets, geographic region and transaction activity. During the period ended December 31, 2021, the fund was charged $6,539 pursuant to the custody agreement.

During the period ended December 31, 2021, the fund was charged $14,276 for services performed by the Chief Compliance Officer and his staff. These fees are included in Chief Compliance Officer fees in the Statement of Operations.

The components of "Due to BNY Mellon Investment Adviser, Inc. and affiliates" in the Statement of Assets and Liabilities consist of: management fees of $180,201, Distribution Plan fees of $6,221, Shareholder Service Plan fees of $1,000, custodian fees of $2,200, Chief Compliance Officer fees of $3,627 and transfer agency fees of $353.

(d) Each Board member also serves as a Board member of other funds in the BNY Mellon Family of Funds complex. Annual retainer fees and attendance fees are allocated to each fund based on net assets.

NOTE 4—Securities Transactions:

The aggregate amount of purchases and sales of investment securities, excluding short-term securities and forward foreign currency exchange contracts ("forward contracts"), during the period ended December 31, 2021, amounted to $42,613,347 and $56,242,774, respectively.

Derivatives: A derivative is a financial instrument whose performance is derived from the performance of another asset. The fund enters into International Swaps and Derivatives Association, Inc. Master Agreements or similar agreements (collectively, "Master Agreements") with its over-the-counter ("OTC") derivative contract counterparties in order to, among other things, reduce its credit risk to counterparties. Master Agreements include provisions for general obligations, representations, collateral and events of default or termination. Under a Master Agreement, the fund may offset with the counterparty certain derivative financial instruments' payables and/or receivables with collateral held and/or posted and create one single net payment in the event of default or termination.

Each type of derivative instrument that was held by the fund during the period ended December 31, 2021 is discussed below.

Forward Foreign Currency Exchange Contracts: The fund enters into forward contracts in order to hedge its exposure to changes in foreign currency exchange rates on its foreign portfolio holdings, to settle foreign currency transactions or as a part of its investment strategy. When executing forward contracts, the fund is obligated to buy or sell a foreign currency at a specified rate on a certain date in the future. With respect to sales of forward contracts, the fund incurs a loss if the value of the contract increases between the date the forward contract is opened and the date the forward contract is closed. The fund realizes a gain if the value of the contract decreases between those dates. With respect to purchases of forward contracts, the fund incurs a loss if the value of the contract decreases between the date the forward contract is opened and the date the forward contract is closed. The fund realizes a gain if the value of the contract increases between those dates. Any realized or unrealized gains or losses which occurred during the period are reflected in the Statement of Operations. The fund is exposed to foreign currency risk as a result of changes in value of underlying financial instruments. The fund is also exposed to credit risk associated with counterparty nonperformance on these forward contracts, which is generally limited to the unrealized gain on each open contract. This risk may be mitigated by Master Agreements, if any, between the fund and the counterparty and the posting of collateral, if any, by the counterparty to the fund to cover the fund's exposure to the counterparty. At December 31, 2021, there were no outstanding forward contracts.

The following summarizes the average market value of derivatives outstanding during the period ended December 31, 2021:

	Average Market Value ($)
Forward contracts	2,699

At December 31, 2021, the cost of investments for federal income tax purposes was $187,364,740; accordingly, accumulated net unrealized appreciation on investments was $171,326,073, consisting of $174,599,908 gross unrealized appreciation and $3,273,835 gross unrealized depreciation.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of BNY Mellon Sustainable U.S. Equity Portfolio, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of BNY Mellon Sustainable U.S. Equity Portfolio, Inc. (the "Fund"), including the statements of investments and investments in affiliated issuers, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of the Fund's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others or by other appropriate auditing procedures where replies from others were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst + Young LLP

We have served as the auditor of one or more investment companies in the BNY Mellon Family of Funds since at least 1957, but we are unable to determine the specific year.

New York, New York
February 8, 2022

IMPORTANT TAX INFORMATION (Unaudited)

For federal tax purposes, the portfolio hereby reports 68.32% of the ordinary dividends paid during the fiscal year ended December 31, 2021 as qualifying for the corporate dividends received deduction. Shareholders will receive notification in early 2022 of the percentage applicable to the preparation of their 2021 income tax returns. Also, the portfolio hereby reports $0.7266 per share as a long-term capital gain distribution and $0.4434 per share as a short-term capital gain distribution paid on March 30, 2021.

INFORMATION ABOUT THE RENEWAL OF THE FUND'S MANAGEMENT AND SUB-INVESTMENT ADVISORY AGREEMENTS (Unaudited)

At a meeting of the fund's Board of Directors held on August 3-4, 2021, the Board considered the renewal of the fund's Management Agreement, pursuant to which the Adviser provides the fund with investment advisory and administrative services, and the Sub-Investment Advisory Agreement (together with the Management Agreement, the "Agreements"), pursuant to which Newton Investment Management Limited (the "Sub-adviser") provides day-to-day management of the fund's investments. The Board members, a majority of whom are not "interested persons" (as defined in the Investment Company Act of 1940, as amended) of the fund, were assisted in their review by independent legal counsel and met with counsel in executive session separate from representatives of the Adviser and the Sub-adviser. In considering the renewal of the Agreements, the Board considered several factors that it believed to be relevant, including those discussed below. The Board did not identify any one factor as dispositive, and each Board member may have attributed different weights to the factors considered.

Analysis of Nature, Extent, and Quality of Services Provided to the Fund. The Board considered information provided to it at the meeting and in previous presentations from representatives of the Adviser regarding the nature, extent, and quality of the services provided to funds in the BNY Mellon fund complex, including the fund. The Adviser provided the number of open accounts in the fund, the fund's asset size and the allocation of fund assets among distribution channels. The Adviser also had previously provided information regarding the diverse intermediary relationships and distribution channels of funds in the BNY Mellon fund complex (such as retail direct or intermediary, in which intermediaries typically are paid by the fund and/or the Adviser) and the Adviser's corresponding need for broad, deep, and diverse resources to be able to provide ongoing shareholder services to each intermediary or distribution channel, as applicable to the fund.

The Board also considered research support available to, and portfolio management capabilities of, the fund's portfolio management personnel and that the Adviser also provides oversight of day-to-day fund operations, including fund accounting and administration and assistance in meeting legal and regulatory requirements. The Board also considered the Adviser's extensive administrative, accounting and compliance infrastructures, as well as the Adviser's supervisory activities over the Sub-adviser. The Board also considered portfolio management's brokerage policies and practices (including that there are no soft dollar arrangements in place for the fund) and the standards applied in seeking best execution.

Comparative Analysis of the Fund's Performance and Management Fee and Expense Ratio. The Board reviewed reports prepared by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company data based on classifications provided by Thomson Reuters Lipper, which included information comparing (1) the performance of the fund's Initial shares with the performance of a group of large-cap core funds underlying variable insurance products ("VIPs") selected by Broadridge as comparable to the fund ("Performance Group 1") and with a broader group of funds consisting of all large-cap core funds underlying VIPs (the "Performance Universe"), all for various periods ended June 30, 2021; (2) at the request of the Adviser, the performance of the fund's Initial shares with the performance of a second group of large-cap core funds underlying VIPs with an above average Morningstar ESG (environmental, social and governance) Sustainable Ranking selected by Broadridge ("Performance Group 2"), all for various periods ended June 30, 2021; (3) the fund's actual and contractual management fees and total expenses of the fund's Initial shares with those of two groups of comparable funds, one identical to Performance Group 1 ("Expense Group 1") and the other identical to Performance Group 2 ("Expense Group 2"), and with a broader group of all large-cap core funds underlying VIPs with similar 12b-1/non-12b-1 structures, excluding outliers (the "Expense Universe"); and (4) at the request of the Adviser, the total expenses of the fund's Service shares with those of Expense Group 1, Expense Group 2 and the Expense Universe, the information for which was derived in part from fund financial statements available to Broadridge as of the date of its analysis. The Adviser previously had furnished the Board with a description of the methodology Broadridge used to select the Performance Groups and Performance Universe and the Expense Groups and Expense Universe.

Performance Comparisons. Representatives of the Adviser stated that the usefulness of performance comparisons may be affected by a number of factors, including different investment limitations and policies that may be applicable to the fund and comparison funds and the end date selected. The Board discussed with representatives of the Adviser and the Sub-adviser the results of the comparisons and considered that the fund's total return performance was above the Performance Group 1, Performance Group 2 and Performance Universe medians for all periods, except the one- and ten-year periods when the total return performance was below the Performance Group 1 and Performance Universe medians and the one-year period when it was below the Performance Group 2 median, ranking in the first quartile of Performance Group 2 and the Performance Universe in most of the periods shown. The Adviser also provided a comparison of the fund's calendar year total returns to the returns of the fund's benchmark index. The Board noted that the fund had a five star rating for the three-year period, a four star rating for the five-year period, and a four star overall rating from Morningstar based on Morningstar's risk-adjusted return measures.

Management Fee and Expense Ratio Comparisons. The Board reviewed and considered the contractual management fee rate payable by the fund to the Adviser in light of the nature, extent and quality of the management and sub-advisory services provided by the Adviser and the Sub-adviser, respectively. In addition, the Board reviewed and considered the actual management fee rate paid by the fund over the fund's last fiscal year. The Board also reviewed the range of actual and contractual management fees and total expenses as a percentage of average net assets of the Expense Group and Expense Universe funds and discussed the results of the comparisons.

The Board considered that the fund's contractual management fee was below the Expense Group 1 contractual management fee median and equal to the Expense Group 2 contractual management fee median, the fund's actual management fee was above the

Expense Group 1 median, equal to the Expense Group 2 median and slightly above the Expense Universe median actual management fee, the total expenses of the fund's Initial shares were below the Expense Groups 1 and 2 medians and the Expense Universe median total expenses, and the total expenses of the fund's Service shares were below the Expense Group 1 median, above to the Expense Group 2 median and above the Expense Universe median total expenses.

Representatives of the Adviser stated that the Adviser has contractually agreed, until April 30, 2022, to waive receipt of its fees and/or assume the direct expenses of the fund so that the direct expenses of none of the fund's classes (excluding Rule 12b-1 fees, shareholder services fees, taxes, interest, brokerage commissions, commitment fees on borrowings and extraordinary expenses) exceed 0.70% of the fund's average daily net assets.

Representatives of the Adviser reviewed with the Board the management or investment advisory fees paid by the one fund advised or administered by the Adviser that is in the same Lipper category as the fund (the "Similar Fund"), and explained the nature of the Similar Fund. They discussed differences in fees paid and the relationship of the fees paid in light of any differences in the services provided and other relevant factors. The Board considered the relevance of the fee information provided for the Similar Fund to evaluate the appropriateness of the fund's management fee. Representatives of the Adviser noted that there were no separate accounts and/or other types of client portfolios advised by the Adviser or the Sub-adviser that are considered to have similar investment strategies and policies as the fund.

The Board considered the fee payable to the Sub-adviser in relation to the fee payable to the Adviser by the fund and the respective services provided by the Sub-adviser and the Adviser. The Board also took into consideration that the Sub-adviser's fee is paid by the Adviser, out of its fee from the fund, and not the fund.

Analysis of Profitability and Economies of Scale. Representatives of the Adviser reviewed the expenses allocated and profit received by the Adviser and its affiliates and the resulting profitability percentage for managing the fund and the aggregate profitability percentage to the Adviser and its affiliates for managing the funds in the BNY Mellon fund complex, and the method used to determine the expenses and profit. The Board concluded that the profitability results were not excessive, given the services rendered and service levels provided by the Adviser and its affiliates. The Board also had been provided with information prepared by an independent consulting firm regarding the Adviser's approach to allocating costs to, and determining the profitability of, individual funds and the entire BNY Mellon fund complex. The consulting firm also had analyzed where any economies of scale might emerge in connection with the management of a fund.

The Board considered, on the advice of its counsel, the profitability analysis (1) as part of its evaluation of whether the fees under the Agreements, considered in relation to the mix of services provided by the Adviser and the Sub-adviser, including the nature, extent and quality of such services, supported the renewal of the Agreements and (2) in light of the relevant circumstances for the fund and the extent to which economies of scale would be realized if the fund grows and whether fee levels reflect these economies of scale for the benefit of fund shareholders. Since the Adviser, and not the fund, pays the Sub-adviser pursuant to the Sub-Investment Advisory Agreement, the Board did not consider the Sub-adviser's profitability to be relevant to its deliberations. Representatives of the Adviser also stated that, as a result of shared and allocated costs among funds in the BNY Mellon fund complex, the extent of economies of scale could depend substantially on the level of assets in the complex as a whole, so that increases and decreases in complex-wide assets can affect potential economies of scale in a manner that is disproportionate to, or even in the opposite direction from, changes in the fund's asset level. The Board also considered potential benefits to the Adviser and the Sub-adviser from acting as investment adviser and sub-investment adviser, respectively, and took into consideration that there were no soft dollar arrangements in effect for trading the fund's investments.

At the conclusion of these discussions, the Board agreed that it had been furnished with sufficient information to make an informed business decision with respect to the renewal of the Agreements. Based on the discussions and considerations as described above, the Board concluded and determined as follows.

- The Board concluded that the nature, extent and quality of the services provided by the Adviser and the Sub-adviser are adequate and appropriate.

- The Board was satisfied with the fund's performance and determined to approve renewal of the Agreements.

- The Board concluded that the fees paid to the Adviser and the Sub-adviser continued to be appropriate under the circumstances and in light of the factors and the totality of the services provided as discussed above, subject to review no later than the next renewal consideration.

- The Board determined that the economies of scale which may accrue to the Adviser and its affiliates in connection with the management of the fund had been adequately considered by the Adviser in connection with the fee rate charged to the fund pursuant to the Management Agreement and that, to the extent in the future it were determined that material economies of scale had not been shared with the fund, the Board would seek to have those economies of scale shared with the fund.

In evaluating the Agreements, the Board considered these conclusions and determinations and also relied on its previous knowledge, gained through meetings and other interactions with the Adviser and its affiliates and the Sub-adviser, of the Adviser and the Sub-adviser and the services provided to the fund by the Adviser and the Sub-adviser. The Board also relied on information received on a routine and regular basis throughout the year relating to the operations of the fund and the investment management and other services provided under the Agreements, including information on the investment performance of the fund in comparison to similar mutual funds and benchmark performance indices; general market outlook as applicable to the fund; and compliance reports. In addition, the Board's consideration of the contractual fee arrangements for the fund had the benefit of a number of years of reviews of the Agreements for the fund, or substantially similar agreements for other BNY Mellon funds that the Board oversees, during which lengthy discussions took place between the Board and representatives of the Adviser. Certain aspects of the arrangements may receive greater scrutiny in some years than in others, and the Board's conclusions may be based, in part, on their consideration of the fund's arrangements, or substantially similar arrangements for other BNY Mellon funds that the Board oversees, in prior years. The Board determined to renew the Agreements.

BOARD MEMBERS INFORMATION (Unaudited)
Independent Board Members

Joseph S. DiMartino (78)
Chairman of the Board (1995)

Principal Occupation During Past 5 Years:

- Director or Trustee of funds in the BNY Mellon Family of Funds and certain other entities (as described in the fund's Statement of Additional Information) (1995-Present)

Other Public Company Board Memberships During Past 5 Years:

- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (1997-Present)

No. of Portfolios for which Board Member Serves: 96

Francine J. Bovich (70)
Board Member (2015)

Principal Occupation During Past 5 Years:

- The Bradley Trusts, private trust funds, *Trustee* (2011-Present)

Other Public Company Board Memberships During Past 5 Years:

- Annaly Capital Management, Inc., a real estate investment trust, *Director* (2014-Present)

No. of Portfolios for which Board Member Serves: 54

J. Charles Cardona (66)
Board Member (2014)

Principal Occupation During Past 5 Years:

- President and Director of the Adviser (2008-2016)
- Chief Executive Officer of Dreyfus Cash Investment Strategies, a division of the Adviser (2009-2016)
- Chairman of the Distributor (2013–2016)

Other Public Company Board Memberships During Past 5 Years:

- BNY Mellon ETF Trust, *Chairman and Trustee* (2020-Present)
- BNY Mellon Liquidity Funds, *Director* (2004-Present) and *Chairman* (2019-2021)

No. of Portfolios for which Board Member Serves: 35

Andrew J. Donohue (71)
Board Member (2019)

Principal Occupation During Past 5 Years:

- Attorney, Solo Law Practice (2019-Present)
- Shearman & Sterling LLP, a law firm, Of Counsel (2017-2019)
- Chief of Staff to the Chair of the SEC (2015-2017)

Other Public Company Board Memberships During Past 5 Years:

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

No. of Portfolios for which Board Member Serves: 44

Isabel P. Dunst (74)
Board Member (2014)

Principal Occupation During Past 5 Years:

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

No. of Portfolios for which Board Member Serves: 22

Nathan Leventhal (78)
Board Member (2009)

Principal Occupation During Past 5 Years:

- Lincoln Center for the Performing Arts, *President Emeritus* (2001-Present)
- Palm Beach Opera, *President* (2016-Present)

Other Public Company Board Memberships During Past 5 Years:

- Movado Group, Inc., a public company that designs, sources, markets and distributes watches *Director* (2003-2020)

No. of Portfolios for which Board Member Serves: 32

Robin A. Melvin (58)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Westover School, a private girls' boarding school in Middlebury, Connecticut, *Trustee* (2019-Present)
- Mentor Illinois, a non-profit organization dedicated to increasing the quality of mentoring services in Illinois, *Co-Chair* (2014-2020); *Board Member*, Mentor Illinois (2013-2020)
- *JDRF, a non-profit juvenile diabetes research foundation, Board Member (June 2021-Present)*

Other Public Company Board Memberships During Past 5 Years:

- *HPS Corporate Lending Fund, a closed-end management investment company regulated as a business development company, Trustee (August 2021-Present)*

No. of Portfolios for which Board Member Serves: 74

Roslyn M. Watson (72)
Board Member (2014)

Principal Occupation During Past 5 Years:

- Watson Ventures, Inc., a real estate investment company. *Principal* (1993-Present)

Other Public Company Board Memberships During Past 5 Years:

- American Express Bank, FSB, *Director* (1993-2018)

No. of Portfolios for which Board Member Serves: 44

Benaree Pratt Wiley (75)
Board Member (2009)

Principal Occupation During Past 5 Years:

- The Wiley Group, a firm specializing in strategy and business development, *Principal* (2005-Present)

Other Public Company Board Memberships During Past 5 Years:

- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (2008-Present)
- Blue Cross Blue Shield of Massachusetts, *Director* (2004-2020)

No. of Portfolios for which Board Member Serves: 62

Tamara Belinfanti (46)
Advisory Board Member (2021)

Principal Occupation During Past 5 Years:

- New York Law School, Lester Martin Professor of Law (2009-Present)

No. of Portfolios for which Advisory Board Member Serves: 22

Gordon J. Davis (80)
Advisory Board Member (2021)

Principal Occupation During Past 5 Years:

- Venable LLP, a law firm Partner (2012-Present)

No. of Portfolios for which Advisory Board Member Serves: 40

Once elected all Board Members serve for an indefinite term, but achieve Emeritus status upon reaching age 80. The address of the Board Members and Officers is c/o BNY Mellon Investment Adviser, Inc. 240 Greenwich Street, New York, New York 10286. Additional information about the Board Members is available in the fund's Statement of Additional Information which can be obtained from the Adviser free of charge by calling this toll free number: 1-800-373-9387.

Clifford L. Alexander, Jr., Emeritus Board Member
Whitney I. Gerard, Emeritus Board Member
George L. Perry, Emeritus Board Member

OFFICERS OF THE FUND (Unaudited)

DAVID DIPETRILLO, President since January 2021.

Vice President and Director of the Adviser since February 2021; Head of North America Product, BNY Mellon Investment Management since January 2018; Director of Product Strategy, BNY Mellon Investment Management from January 2016 to December 2017. He is an officer of 56 investment companies (comprised of 109 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 43 years old and has been an employee of BNY Mellon since 2005.

JAMES WINDELS, Treasurer since November 2001.

Vice President of the Adviser since September 2020; Director–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 63 years old and has been an employee of the Adviser since April 1985.

PETER M. SULLIVAN, Chief Legal Officer since July 2021 and Vice President and Assistant Secretary since March 2019.

Chief Legal Officer of the Adviser and Associate General Counsel of BNY Mellon since July 2021; Senior Managing Counsel of BNY Mellon from December 2020 to July 2021; Managing Counsel of BNY Mellon from March 2009 to December 2020, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 53 years old and has been an employee of BNY Mellon since April 2004.

JAMES BITETTO, Vice President since August 2005 and Secretary since February 2018.

Senior Managing Counsel of BNY Mellon since December 2019; Managing Counsel of BNY Mellon from April 2014 to December 2019; Secretary of the Adviser, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 55 years old and has been an employee of the Adviser since December 1996.

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

Managing Counsel of BNY Mellon since December 2021, Counsel of BNY Mellon from August 2018 to December 2021; and Senior Regulatory Specialist at BNY Mellon Investment Management Services from February 2016 to August 2018. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 31 years old and has been an employee of the Adviser since August 2018.

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

Vice President of BNY Mellon ETF Investment Adviser; LLC since February 2020; Senior Managing Counsel of BNY Mellon since September 2021; Managing Counsel of BNY Mellon from December 2017 to September 2021; and Senior Counsel of BNY Mellon from March 2013 to December 2017. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 46 years old and has been an employee of the Adviser since March 2013.

JEFF PRUSNOFSKY, Vice President and Assistant Secretary since August 2005.

Senior Managing Counsel of BNY Mellon, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 56 years old and has been an employee of the Adviser since October 1990.

AMANDA QUINN, Vice President and Assistant Secretary since March 2020.

Counsel of BNY Mellon since June 2019; Regulatory Administration Manager at BNY Mellon Investment Management Services from September 2018 to May 2019; and Senior Regulatory Specialist at BNY Mellon Investment Management Services from April 2015 to August 2018. She is an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 36 years old and has been an employee of the Adviser since June 2019.

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

Chief Compliance Officer since August 2021 and Vice President since February 2020 of BNY Mellon ETF Investment Adviser, LLC; Chief Compliance Officer since August 2021 and Vice President and Assistant Secretary since February 2020 of BNY Mellon ETF Trust; Managing Counsel of BNY Mellon from December 2019 to August 2021; Counsel of BNY Mellon from May 2016 to December 2019; Assistant Secretary of the Adviser from April 2018 to August 2021. She is an officer of 56 investment companies (comprised of 129 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 36 years old and has been an employee of BNY Mellon since May 2016.

GAVIN C. REILLY, Assistant Treasurer since December 2005.

Tax Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 53 years old and has been an employee of the Adviser since April 1991.

ROBERT SALVIOLO, Assistant Treasurer since July 2007.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 54 years old and has been an employee of the Adviser since June 1989.

ROBERT SVAGNA, Assistant Treasurer since December 2002.

Senior Accounting Manager–BNY Mellon Fund Administration, and an officer of 57 investment companies (comprised of 130 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 54 years old and has been an employee of the Adviser since November 1990.

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

Chief Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust since 2004; Chief Compliance Officer of the Adviser from 2004 until June 2021. He is an officer of 56 investment companies (comprised of 117 portfolios) managed by the Adviser. He is 64 years old.

CARIDAD M. CAROSELLA, Anti-Money Laundering Compliance Officer since January 2016.

Anti-Money Laundering Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust. She is an officer of 49 investment companies (comprised of 122 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 53 years old and has been an employee of the Distributor since 1997.

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For More Information

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

240 Greenwich Street
New York, NY 10286

Adviser

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

Sub-Adviser

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.

Printed on recycled paper.
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BNY MELLON
INVESTMENT MANAGEMENT

December 31, 2021

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 ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

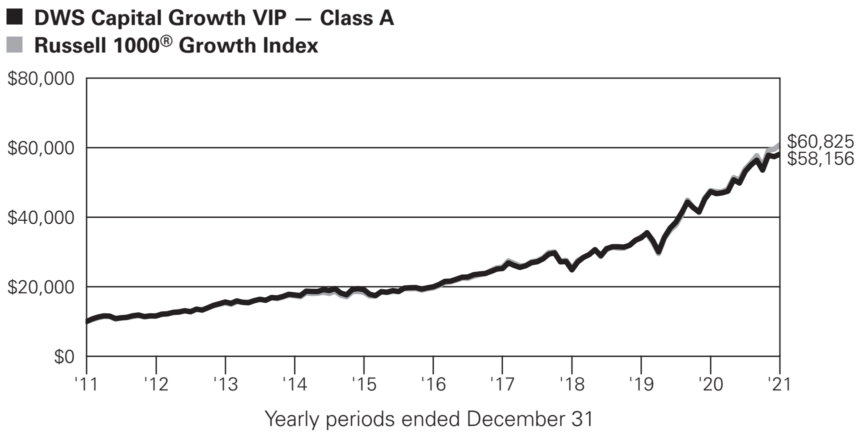
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.49% and 0.75% 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	$12,278	$23,411	$29,096	$58,156
	Average annual total return	22.78%	32.78%	23.81%	19.25%
Russell 1000® Growth Index	Growth of $10,000	$12,760	$24,102	$30,908	$60,825
	Average annual total return	27.60%	34.08%	25.32%	19.79%

DWS Capital Growth VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$12,246	$23,233	$28,718	$56,554
	Average annual total return	22.46%	32.45%	23.49%	18.92%
Russell 1000® Growth Index	Growth of $10,000	$12,760	$24,102	$30,908	$60,825
	Average annual total return	27.60%	34.08%	25.32%	19.79%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

Although the Fund returned 22.78% (Class A shares, unadjusted for contract charges) in 2021, it trailed the 27.60% return for the Russell 1000® Growth Index.

Stock selection was the primary factor in our 12-month underperformance, with the weakest results occurring in the communication services sector. Activision Blizzard, Inc., which struggled due to negative headlines about its corporate culture and concerns that it could face difficulties sustaining its current growth rate, was a key detractor. Spotify Technology SA also lagged, primarily as a result of intensifying competition.

We experienced underperformance in the consumer discretionary sector, as well, but here the shortfall was largely caused by a zero weighting in Tesla, Inc. The stock has risen to be the fourth-largest holding in the Russell 1000 Growth Index, so our lack of a position can have a sizable impact on short-term results. Nevertheless, our priority is to maintain discipline about the price we pay for growth. We also want to focus on owning the most attractive individual stocks, rather than establishing positions simply to mirror the benchmark. The education technology company Chegg, Inc., which reduced its guidance amid lower student enrollments, also weighed on results in consumer discretionary.

Certain holdings in information technology, including Twilio, Inc. and Global Payments, Inc., were further detractors of note. With that said, two tech stocks finished among our leading contributors for the year. Cloudflare, Inc. rallied due to large customer additions, and NVIDIA Corp. was boosted by strong sales trends and investor optimism about its potential to capitalize on the growth of the metaverse.

On the positive side, health care was a source of strength for the Fund in 2021. Thermo Fisher Scientific, Inc. and Danaher Corp., which have been instrumental suppliers and partners in COVID-19 therapeutic development, testing, and vaccines, were top performers in the sector. Both benefited from renewed demand related to new waves of the virus. DexCom, Inc., a producer of glucose-monitoring systems, was an additional outperformer thanks to robust earnings and the prospects of a new-product launch.

Real estate, though a small portion of the Fund, was nonetheless another source of positive performance. Prologis Inc., a logistics center real estate investment trust, outperformed its sector peers by a wide margin. The company capitalized on record rent growth from the accelerating adoption of e-commerce and an increased focus on supply chain resiliency.

The broader environment presented a mixed picture at the close of the year. Many companies were dealing with difficult year-over-year earnings comparisons, decelerating growth, cost inflation, and supply-chain constraints, as well as shifting safety measures with respect to COVID-19. On the other hand, the breadth and speed of innovation has created a widening opportunity set for investing in disruptors and innovators that we think are on the right side of change. A large part of the resulting investment opportunity stems from the accelerated deployment of technology that occurred in 2020-2021 and that appears set to continue. Innovative technologies and cloud infrastructure have enabled new behaviors, relationships, and structures that have created new business models across many industries. More specifically, the current technology wave has been multi-faceted and has spanned the internet, ecommerce, artificial intelligence, digitization and the "Internet of Things," robotics, and automation. This process could have implications for every industry and potentially wide-ranging ramifications for every segment of the economy.

We are therefore staying focused on growth, but not any type of growth. Instead, we prefer growth that is either stable and consistent or dynamic and accelerating, and that should be durable enough to provide stability in a shifting economic environment. As always, we seek to maintain a balanced mix of quality growth businesses with strong profit margins and free cash flows, together with younger growers in the more nascent industries of the digital economy. While we remain highly aware of areas of vulnerability given the potential for rising interest rates, we believe a portfolio mix that encompasses both reliable and dynamic growth companies is well suited for a time of elevated uncertainty.

Sebastian P. Werner, PhD, Head of Investment Strategy Equity
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)	**12/31/21**	**12/31/20**
Common Stocks	99%	99%
Cash Equivalents	1%	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Information Technology	45%	43%
Consumer Discretionary	13%	14%
Communication Services	12%	13%
Health Care	12%	11%
Industrials	8%	8%
Financials	5%	5%
Consumer Staples	2%	3%
Real Estate	2%	2%
Materials	1%	1%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 99.2%		
Communication Services 12.2%		
Entertainment 4.4%		
Activision Blizzard, Inc.	123,833	8,238,610
Live Nation Entertainment, Inc.* (a)	81,754	9,785,136
Netflix, Inc.*	24,481	14,748,334
Roku, Inc.* (a)	16,181	3,692,504
Spotify Technology SA*	44,499	10,414,101
Walt Disney Co.*	51,500	7,976,835
		54,855,520
Interactive Media & Services 7.0%		
Alphabet, Inc. "A"*	10,418	30,181,363
Alphabet, Inc. "C"*	11,165	32,306,932
Match Group, Inc.*	85,513	11,309,094
Meta Platforms, Inc. "A"*	36,152	12,159,725
		85,957,114
Wireless Telecommunication Services 0.8%		
T-Mobile U.S., Inc.*	83,120	**9,640,258**
Consumer Discretionary 13.3%		
Diversified Consumer Services 1.0%		
Chegg, Inc.*	104,938	3,221,597
Terminix Global Holdings, Inc.*	203,319	9,196,118
		12,417,715
Hotels, Restaurants & Leisure 1.2%		
DraftKings, Inc. "A"*	58,788	1,614,907
McDonald's Corp.	25,474	6,828,815
Planet Fitness, Inc. "A"*	74,121	6,713,880
		15,157,602
Internet & Direct Marketing Retail 4.6%		
Amazon.com, Inc.*	16,939	**56,480,385**
Multiline Retail 0.5%		
Dollar General Corp.	27,127	**6,397,360**
Specialty Retail 4.3%		
Burlington Stores, Inc.*	34,470	10,048,350
CarMax, Inc.*	85,883	11,184,543
Home Depot, Inc.	76,044	31,559,020
		52,791,913
Textiles, Apparel & Luxury Goods 1.7%		
Lululemon Athletica, Inc.*	32,122	12,574,157
NIKE, Inc. "B"	51,033	8,505,670
		21,079,827
Consumer Staples 2.1%		
Food & Staples Retailing 1.4%		
Costco Wholesale Corp.	29,511	**16,753,395**
Personal Products 0.7%		
Estee Lauder Companies, Inc. "A"	23,760	**8,795,952**
Financials 4.6%		
Capital Markets 1.4%		
Intercontinental Exchange, Inc.	127,366	**17,419,848**
Consumer Finance 1.0%		
American Express Co.	39,592	6,477,251
SoFi Technologies, Inc.* (a)	405,021	6,403,382
		12,880,633
Insurance 2.2%		
Progressive Corp.	259,630	**26,651,019**
Health Care 11.6%		
Biotechnology 0.3%		
Exact Sciences Corp.*	47,474	**3,694,901**
Health Care Equipment & Supplies 5.1%		
Danaher Corp.	73,932	24,324,367
DexCom, Inc.*	37,233	19,992,259
Hologic, Inc.*	180,969	13,854,987
The Cooper Companies, Inc.	11,136	4,665,316
		62,836,929
Health Care Providers & Services 0.5%		
agilon health, Inc.* (a)	223,337	**6,030,099**
Life Sciences Tools & Services 4.2%		
Charles River Laboratories International, Inc.*	28,724	10,822,629
Thermo Fisher Scientific, Inc.	61,680	41,155,363
		51,977,992
Pharmaceuticals 1.5%		
Zoetis, Inc.	72,291	**17,641,173**
Industrials 8.2%		
Aerospace & Defense 0.3%		
TransDigm Group, Inc.*	6,313	**4,016,836**
Building Products 0.7%		
Trex Co., Inc.*	62,422	**8,428,843**
Electrical Equipment 2.4%		
AMETEK, Inc.	118,449	17,416,741
Generac Holdings, Inc.*	34,645	12,192,268
		29,609,009
Industrial Conglomerates 0.8%		
Roper Technologies, Inc.	19,327	**9,506,178**
Machinery 0.4%		
Deere & Co.	14,643	**5,020,938**

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

	Shares	Value ($)
Professional Services 2.6%		
TransUnion	154,130	18,276,736
Verisk Analytics, Inc.	57,140	13,069,632
		31,346,368
Road & Rail 1.0%		
Norfolk Southern Corp.	26,725	7,956,300
Uber Technologies, Inc.*	111,123	4,659,387
		12,615,687
Information Technology 44.4%		
IT Services 6.8%		
Cloudflare, Inc. "A"*	48,580	6,388,270
Fiserv, Inc.* (a)	85,955	8,921,270
Global Payments, Inc.	75,418	10,195,005
Mastercard, Inc. "A"	68,287	24,536,885
PayPal Holdings, Inc.*	42,821	8,075,184
Twilio, Inc. "A"*	43,868	11,552,199
Visa, Inc. "A" (a)	64,097	13,890,461
		83,559,274
Semiconductors & Semiconductor Equipment 7.7%		
Advanced Micro Devices, Inc.*	110,348	15,879,077
Analog Devices, Inc.	71,165	12,508,672
Applied Materials, Inc.	92,586	14,569,333
MKS Instruments, Inc.	39,899	6,949,209
NVIDIA Corp.	149,965	44,106,206
		94,012,497
Software 20.0%		
Adobe, Inc.*	41,965	23,796,673
Avalara, Inc.*	40,397	5,215,657
DocuSign, Inc.*	31,220	4,755,118
Dynatrace, Inc.*	121,302	7,320,576
Five9, Inc.*	50,518	6,937,132
Intuit, Inc.	27,880	17,932,974
Microsoft Corp.	359,466	120,895,605
RingCentral, Inc. "A"*	24,969	4,677,942
salesforce.com, Inc.*	66,006	16,774,105
ServiceNow, Inc.*	30,467	19,776,434
Synopsys, Inc.*	50,391	18,569,083
		246,651,299
Technology Hardware, Storage & Peripherals 9.9%		
Apple, Inc.	688,004	**122,168,870**
Materials 1.1%		
Chemicals 0.5%		
Ecolab, Inc.	26,815	**6,290,531**
Construction Materials 0.6%		
Vulcan Materials Co.	34,695	**7,201,988**
Real Estate 1.7%		
Equity Real Estate Investment Trusts (REITs)		
Equinix, Inc.	10,683	9,036,109
Prologis, Inc.	69,783	11,748,666
		20,784,775
Total Common Stocks (Cost $403,700,844)		**1,220,672,728**

Securities Lending Collateral 2.7%

	Shares	Value ($)
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $33,665,520)	33,665,520	**33,665,520**

Cash Equivalents 1.0%

	Shares	Value ($)
DWS Central Cash Management Government Fund, 0.05% (b) (Cost $12,375,306)	12,375,306	**12,375,306**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $449,741,670)	102.9	**1,266,713,554**
Other Assets and Liabilities, Net	(2.9)	**(35,433,933)**
Net Assets	100.0	**1,231,279,621**

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

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 2.7%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
60,706,321	—	27,040,801 (d)	—	—	18,795	—	33,665,520	33,665,520
Cash Equivalents 1.0%								
DWS Central Cash Management Government Fund, 0.05% (b)								
5,792,769	142,250,083	135,667,546	—	—	1,772	—	12,375,306	12,375,306
66,499,090	**142,250,083**	**162,708,347**	**—**	**—**	**20,567**	**—**	**46,040,826**	**46,040,826**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $32,645,098, which is 2.7% of net assets.

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

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

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks (a)	$ 1,220,672,728	$ —	$ —	$ 1,220,672,728
Short-Term Investments (a)	46,040,826	—	—	46,040,826
Total	**$ 1,266,713,554**	**$ —**	**$ —**	**$ 1,266,713,554**

(a) See Investment Portfolio for additional detailed categorizations.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $403,700,844) — including $32,645,098 of securities loaned	$ 1,220,672,728
Investment in DWS Government & Agency Securities Portfolio (cost $33,665,520)*	33,665,520
Investment in DWS Central Cash Management Government Fund (cost $12,375,306)	12,375,306
Receivable for Fund shares sold	1,769
Dividends receivable	67,129
Interest receivable	1,923
Other assets	24,676
Total assets	1,266,809,051
Liabilities	
Payable upon return of securities loaned	33,665,520
Payable for investments purchased	776,448
Payable for Fund shares redeemed	477,935
Accrued management fee	378,553
Accrued Trustees' fees	9,478
Other accrued expenses and payables	221,496
Total liabilities	35,529,430
Net assets, at value	**$ 1,231,279,621**
Net Assets Consist of	
Distributable earnings (loss)	966,984,229
Paid-in capital	264,295,392
Net assets, at value	**$ 1,231,279,621**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($1,224,828,240 ÷ 24,941,174 outstanding shares of beneficial interest, $0.01 par value, unlimited number of shares authorized)	**$ 49.11**
Class B	
Net Asset Value, offering and redemption price per share ($6,451,381 ÷ 132,015 outstanding shares of beneficial interest, $0.01 par value, unlimited number of shares authorized)	**$ 48.87**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends	$ 6,583,232
Income distributions — DWS Central Cash Management Government Fund	1,772
Securities lending income, net of borrower rebates	18,795
Total income	6,603,799
Expenses:	
Management fee	4,320,877
Administration fee	1,143,566
Services to shareholders	1,890
Record keeping fee (Class B)	468
Distribution service fee (Class B)	15,506
Custodian fee	15,738
Professional fees	93,109
Reports to shareholders	41,169
Trustees' fees and expenses	34,945
Other	55,129
Total expenses	5,722,397
Net investment income	**881,402**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from investments	149,545,914
Change in net unrealized appreciation (depreciation) on investments	90,238,879
Net gain (loss)	**239,784,793**
Net increase (decrease) in net assets resulting from operations	**$240,666,195**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 881,402	$ 2,413,174
Net realized gain (loss)	149,545,914	62,781,949
Change in net unrealized appreciation (depreciation)	90,238,879	260,409,153
Net increase (decrease) in net assets resulting from operations	240,666,195	325,604,276
Distributions to shareholders:		
Class A	(65,033,932)	(67,556,274)
Class B	(342,026)	(308,190)
Total distributions	(65,375,958)	(67,864,464)
Fund share transactions:		
Class A		
Proceeds from shares sold	31,455,362	70,444,423
Reinvestment of distributions	65,033,932	67,556,274
Payments for shares redeemed	(172,801,537)	(129,614,047)
Net increase (decrease) in net assets from Class A share transactions	(76,312,243)	8,386,650
Class B		
Proceeds from shares sold	920,421	1,384,411
Reinvestment of distributions	342,026	308,190
Payments for shares redeemed	(1,729,958)	(1,250,517)
Net increase (decrease) in net assets from Class B share transactions	(467,511)	442,084
Increase (decrease) in net assets	98,510,483	266,568,546
Net assets at beginning of period	1,132,769,138	866,200,592
Net assets at end of period	**$1,231,279,621**	**$1,132,769,138**

Other Information		
Class A		
Shares outstanding at beginning of period	26,599,512	25,934,145
Shares sold	695,893	2,030,040
Shares issued to shareholders in reinvestment of distributions	1,495,721	2,306,462
Shares redeemed	(3,849,952)	(3,671,135)
Net increase (decrease) in Class A shares	(1,658,338)	665,367
Shares outstanding at end of period	**24,941,174**	**26,599,512**
Class B		
Shares outstanding at beginning of period	141,745	127,162
Shares sold	20,632	39,019
Shares issued to shareholders in reinvestment of distributions	7,890	10,547
Shares redeemed	(38,252)	(34,983)
Net increase (decrease) in Class B shares	(9,730)	14,583
Shares outstanding at end of period	**132,015**	**141,745**

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

Financial Highlights

DWS Capital Growth VIP — Class A

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$42.36**	**$33.24**	**$27.27**	**$30.86**	**$26.70**
Income (loss) from investment operations:					
Net investment income[a]	.03	.09	.17	.14	.20
Net realized and unrealized gain (loss)	9.29	11.69	9.53	(.53)	6.47
Total from investment operations	9.32	11.78	9.70	(.39)	6.67
Less distributions from:					
Net investment income	(.10)	(.18)	(.14)	(.23)	(.22)
Net realized gains	(2.47)	(2.48)	(3.59)	(2.97)	(2.29)
Total distributions	(2.57)	(2.66)	(3.73)	(3.20)	(2.51)
Net asset value, end of period	**$49.11**	**$42.36**	**$33.24**	**$27.27**	**$30.86**
Total Return (%)	22.78	39.04	37.14	(1.60)	26.30
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	1,225	1,127	862	725	776
Ratio of expenses (%)[b]	.48	.49	.50	.50	.50
Ratio of net investment income (%)	.08	.25	.55	.46	.70
Portfolio turnover rate (%)	12	13	11	26	15

[a] Based on average shares outstanding during the period.

[b] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

DWS Capital Growth VIP — Class B

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$42.18**	**$33.10**	**$27.16**	**$30.75**	**$26.61**
Income (loss) from investment operations:					
Net investment income (loss)[a]	(.08)	(.00)*	.09	.07	.13
Net realized and unrealized gain (loss)	9.24	11.66	9.49	(.54)	6.44
Total from investment operations	9.16	11.66	9.58	(.47)	6.57
Less distributions from:					
Net investment income	—	(.10)	(.05)	(.15)	(.14)
Net realized gains	(2.47)	(2.48)	(3.59)	(2.97)	(2.29)
Total distributions	(2.47)	(2.58)	(3.64)	(3.12)	(2.43)
Net asset value, end of period	**$48.87**	**$42.18**	**$33.10**	**$27.16**	**$30.75**
Total Return (%)	22.46	38.70	36.79	(1.87)	25.96
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	6	6	4	3	6
Ratio of expenses (%)[b]	.75	.75	.76	.76	.75
Ratio of net investment income (loss) (%)	(.19)	(.01)	.29	.21	.45
Portfolio turnover rate (%)	12	13	11	26	15

[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 $.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 four diversified funds: DWS Capital Growth VIP, DWS Core Equity VIP, DWS CROCI® International VIP and DWS Global Small Cap VIP (individually or collectively hereinafter referred to as a "Fund" or the "Funds"). These financial statements report on DWS 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). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Trustees and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements 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, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to realized tax character on distributions from certain securities and certain securities sold at a loss on investment transactions. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 5,255,744
Undistributed long-term capital gains	$ 145,303,229
Net unrealized appreciation (depreciation) on investments	$ 816,425,256

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $450,288,298. The net unrealized appreciation for all investments based on tax cost was $816,425,256. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $832,123,369 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $15,698,113.

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

	Years Ended December 31,	
	2021	**2020**
Distributions from ordinary income*	$ 5,918,349	$ 4,641,322
Distributions from long-term capital gains	$ 59,457,609	$ 63,223,142

* 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, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $141,134,738 and $287,835,758, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million of average daily net assets	.390%
Next $750 million of average daily net assets	.365%
Over $1 billion of average daily net assets	.340%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.367% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.75%
Class B	1.00%

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.74%
Class B	.99%

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $1,143,566, of which $100,427 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	**Total Aggregated**	**Unpaid at December 31, 2021**
Class A	$ 1,072	$ 183
Class B	255	41
	$ 1,327	**$ 224**

Distribution Service Agreement. DWS Distributors, Inc. ("DDI"), also an affiliate of the Advisor, is the Trust's Distributor. In accordance with the Master Distribution Plan, DDI receives 12b-1 fees of up to 0.25% of the average daily net assets of Class B shares. Pursuant to the Master Distribution Plan, DDI remits these fees to the Participating Insurance Companies for various costs incurred or paid by these companies in connection with marketing and distribution of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $15,506, of which $1,354 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,312, of which $460 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $1,415.

D. Ownership of the Fund

At December 31, 2021, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 62% and 20%, respectively. Three participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 45%, 29% 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 daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series I and Shareholders of DWS 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, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series I) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others or by other appropriate auditing procedures where replies from others were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst + Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses **(Unaudited)**

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,093.50	$ 1,092.10
Expenses Paid per $1,000*	$ 2.53	$ 3.90

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,022.79	$ 1,021.48
Expenses Paid per $1,000*	$ 2.45	$ 3.77

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series I — DWS Capital Growth VIP	.48%	.74%

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 $2.33 per share from net long-term capital gains during its year ended December 31, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $159,885,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 100% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Capital Growth VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 2nd quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has outperformed its benchmark in the one- and three-year periods and has underperformed its benchmark in the five-year period ended December 31, 2020.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (1st quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the

substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

VS1capgro-2 (R-025820-11 2/22)

December 31, 2021

Annual Report

Deutsche DWS Variable Series I

DWS Core 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. Fund management could be wrong in its analysis of industries, companies, economic trends and favor a security that underperforms the market. The Fund may lend securities to approved institutions. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

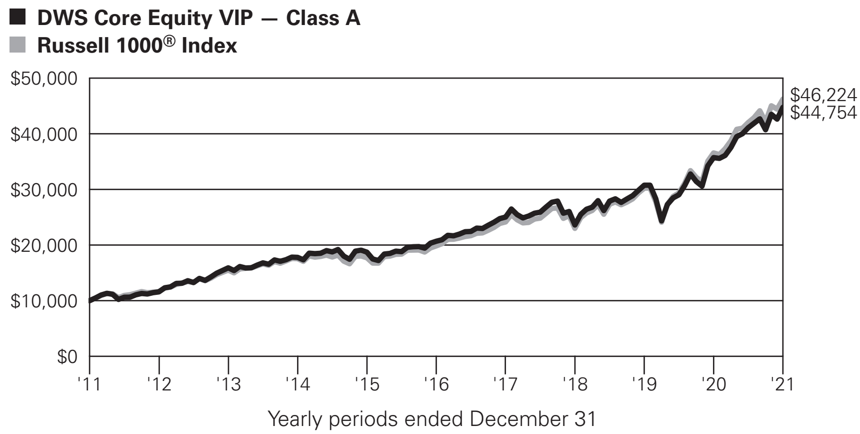
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.62% and 0.94% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



The Russell 1000® Index is an unmanaged index that measures the performance of the 1,000 largest companies in the Russell 3000® Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index.

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

Comparative Results

DWS Core Equity VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$12,530	$18,961	$21,642	$44,754
	Average annual total return	25.30%	23.77%	16.70%	16.17%
Russell 1000® Index	Growth of $10,000	$12,645	$20,103	$23,293	$46,224
	Average annual total return	26.45%	26.21%	18.43%	16.54%

DWS Core Equity VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$12,494	$18,775	$21,294	$43,458
	Average annual total return	24.94%	23.37%	16.32%	15.83%
Russell 1000® Index	Growth of $10,000	$12,645	$20,103	$23,293	$46,224
	Average annual total return	26.45%	26.21%	18.43%	16.54%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

Stocks performed well in 2021 thanks in part to the rollout of COVID-19 vaccines and the gradual re-opening of the economy that followed. Economic growth and corporate earnings came in well above expectations in the first half of the year as a result, propelling the market higher. U.S. Federal Reserve (Fed) policy was also supportive for most of the year, with near-zero interest rates and the continuation of the stimulative quantitative easing program. A series of fiscal stimulus packages enacted by the U.S. government provided additional momentum for both economic growth and investor sentiment. In combination, these developments helped investors look beyond risk factors such as rising inflation, worries about China's economy, and the emergence of new variants of COVID-19.

The Fund returned 25.30% (Class A shares, unadjusted for contract charges), underperforming the 26.45% return of the Russell 1000® Index. After performing in line its benchmark in the first half of the year, the Fund lagged thereafter. We believe a key reason for this shortfall was that macroeconomic factors — rather the company-specific fundamentals — became the most important driver of market performance as the second half of the year progressed. This phenomenon largely reflected investors' struggle to assess the shift from an environment of strong growth and an accommodative Fed toward one possibly characterized by slowing growth, higher inflation, and tighter monetary policy. We expect that as investors adjust to the new set of circumstances, fundamentals will eventually move back to the forefront – a potential tailwind for the Fund given the nature of our approach.

The Fund's stock selection in the consumer discretionary sector was a key detractor from performance in 2021. Peloton Interactive, Inc., which lost ground due to concerns about rising competition, weaker-than-expected earnings, and the broader sell-off in former "pandemic winners," was the primary reason for the shortfall. We were also hurt by having an overweight position in Amazon.com, Inc. — which lagged after a strong showing during the lockdowns of 2020 — and a zero weighting in Tesla, Inc. Health care was another area of weakness. Although we benefited from holdings in insurance stocks, which outpaced their sector peers by a wide margin, the contribution was outweighed by overweights in Pfizer, Inc.* and Amgen, Inc. Communication services was another challenging area in 2021, with Roku, Inc. and T-Mobile US, Inc. representing the largest detractors.

On the positive side, our positioning in information technology made a sizable contribution. Most notably, we benefited from holding large overweights in the two industry heavyweights: Apple, Inc. and Microsoft Corp. Both outperformed the broader market by a wide margin as investors gravitated toward mega-cap stocks seen as having the most reliable growth characteristics. Advanced Micro Devices, Inc. and Oracle Corp. were notable contributors in technology, as well. Real estate, though a small portion of the portfolio, was nonetheless another source of positive performance. Prologis, Inc., as a data-center real estate investment trust, was positioned to benefit from the growing demand for data usage, storage, and connectivity brought about by the shift toward more people working off-site. Similarly, Iron Mountain, Inc. benefited from its move to a business model focused on data storage. Outside of these sectors, Marathon Petroleum Corp.* — a refining stock that was well situated to take advantage of rising gasoline prices — was the leading contributor.

We continue to maintain discipline through all market conditions. We seek to optimize the portfolio by emphasizing stocks with the most favorable combination of individual factors, rather than relying on a single factor — such as value or growth — to drive performance. In our view, this approach has enabled us to build a portfolio designed to navigate uncertain conditions and rapid shifts in market leadership. We believe the merits of this strategy may become increasingly evident as investors struggle to assess a shifting investment backdrop in the year ahead.

Pankaj Bhatnagar, PhD, Head of Investment Strategy Equity
Di Kumble, CFA, Senior Portfolio Manager Equity
Arno V. Puskar, Senior Portfolio Manager Equity
Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

Russell 1000 Index is an unmanaged index that measures the performance of the 1,000 largest companies in the Russell 3000® Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index.

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

Overweight means that a fund holds a higher weighting in a given sector compared with its benchmark index. **Underweight** means that a fund holds a lower weighting.

* Not held at December 31, 2021

Portfolio Summary **(Unaudited)**

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	99%	99%
Cash Equivalents	1%	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Information Technology	29%	27%
Health Care	13%	14%
Consumer Discretionary	13%	13%
Financials	11%	10%
Industrials	9%	9%
Communication Services	9%	11%
Consumer Staples	5%	6%
Real Estate	4%	3%
Energy	3%	2%
Utilities	2%	3%
Materials	2%	2%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 99.2%		
Communication Services 8.6%		
Entertainment 2.6%		
Activision Blizzard, Inc.	7,822	520,398
Electronic Arts, Inc.	3,228	425,773
Netflix, Inc.*	1,510	909,685
Roku, Inc.*	4,974	1,135,067
Walt Disney Co.*	1,598	247,514
		3,238,437
Interactive Media & Services 4.9%		
Alphabet, Inc. "A"*	821	2,378,470
Alphabet, Inc. "C"*	1,299	3,758,773
		6,137,243
Wireless Telecommunication Services 1.1%		
T-Mobile U.S., Inc.*	11,996	**1,391,296**
Consumer Discretionary 13.1%		
Auto Components 1.1%		
BorgWarner, Inc.	9,023	406,667
Lear Corp.	5,498	1,005,859
		1,412,526
Automobiles 0.5%		
Ford Motor Co.	29,897	**620,961**
Distributors 0.3%		
Pool Corp.	602	**340,732**
Diversified Consumer Services 1.0%		
Terminix Global Holdings, Inc.*	26,269	**1,188,147**
Hotels, Restaurants & Leisure 2.8%		
Churchill Downs, Inc.	2,134	514,081
Darden Restaurants, Inc.	3,225	485,814
Hilton Worldwide Holdings, Inc.*	3,810	594,322
Vail Resorts, Inc.	1,325	434,467
Wyndham Hotels & Resorts, Inc.	15,894	1,424,897
		3,453,581
Household Durables 0.7%		
Mohawk Industries, Inc.*	2,990	544,718
Newell Brands, Inc.	16,839	367,764
		912,482
Internet & Direct Marketing Retail 4.3%		
Amazon.com, Inc.*	1,616	**5,388,293**
Leisure Products 0.6%		
Peloton Interactive, Inc. "A"* (a)	20,960	**749,530**
Specialty Retail 0.6%		
Five Below, Inc.*	2,023	418,539
RH*	680	364,439
		782,978
Textiles, Apparel & Luxury Goods 1.2%		
NIKE, Inc. "B"	8,974	**1,495,696**
Consumer Staples 5.3%		
Beverages 2.9%		
Coca-Cola Co.	24,629	1,458,283
PepsiCo, Inc.	12,255	2,128,816
		3,587,099
Food & Staples Retailing 1.5%		
Beyond Meat, Inc.* (a)	2,943	191,766
Costco Wholesale Corp.	1,819	1,032,646
Kroger Co.	13,302	602,049
		1,826,461
Personal Products 0.3%		
Estee Lauder Companies, Inc. "A"	1,092	**404,259**
Tobacco 0.6%		
Altria Group, Inc.	15,524	**735,682**
Energy 2.5%		
Oil, Gas & Consumable Fuels		
Cheniere Energy, Inc.	4,254	431,441
Devon Energy Corp.	23,984	1,056,495
Hess Corp.	9,153	677,596
Occidental Petroleum Corp.	20,692	599,861
Valero Energy Corp.	4,552	341,901
		3,107,294
Financials 10.4%		
Banks 3.9%		
Bank of America Corp.	21,201	943,232
JPMorgan Chase & Co.	18,573	2,941,035
Wells Fargo & Co.	20,800	997,984
		4,882,251
Capital Markets 4.8%		
Ameriprise Financial, Inc.	3,639	1,097,740
Apollo Global Management, Inc. (a)	8,174	592,043
Carlyle Group, Inc.	18,030	989,847
Intercontinental Exchange, Inc.	3,921	536,275
MSCI, Inc.	2,809	1,721,046
T. Rowe Price Group, Inc.	3,175	624,332
Tradeweb Markets, Inc. "A"	4,191	419,687
		5,980,970
Insurance 1.7%		
Everest Re Group Ltd.	1,692	463,473

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

	Shares	Value ($)
Hartford Financial Services Group, Inc.	6,686	461,601
MetLife, Inc.	18,281	1,142,380
		2,067,454
Health Care 13.3%		
Biotechnology 2.7%		
AbbVie, Inc.	8,604	1,164,982
Amgen, Inc.	5,868	1,320,124
Biogen, Inc.*	3,363	806,851
		3,291,957
Health Care Equipment & Supplies 0.2%		
Danaher Corp.	924	**304,005**
Health Care Providers & Services 7.4%		
Anthem, Inc.	6,133	2,842,891
Centene Corp.*	19,199	1,581,997
Cigna Corp.	1,354	310,919
DaVita, Inc.*	6,580	748,541
HCA Healthcare, Inc.	3,540	909,497
McKesson Corp.	5,928	1,473,523
Molina Healthcare, Inc.*	4,092	1,301,583
		9,168,951
Pharmaceuticals 3.0%		
AstraZeneca PLC (ADR)	7,096	413,342
Bristol-Myers Squibb Co.	14,398	897,715
Johnson & Johnson	8,512	1,456,148
Viatris, Inc.	31,378	424,544
Zoetis, Inc.	2,278	555,901
		3,747,650
Industrials 8.9%		
Aerospace & Defense 2.1%		
Howmet Aerospace, Inc.	20,987	668,016
Raytheon Technologies Corp.	4,421	380,472
Textron, Inc.	20,746	1,601,591
		2,650,079
Building Products 0.8%		
Owens Corning	11,340	**1,026,270**
Commercial Services & Supplies 2.3%		
Cintas Corp.	955	423,227
Republic Services, Inc.	2,703	376,933
Waste Management, Inc.	12,674	2,115,291
		2,915,451
Electrical Equipment 0.4%		
Emerson Electric Co.	4,917	**457,133**
Industrial Conglomerates 0.3%		
3M Co.	2,385	**423,648**
Machinery 1.9%		
AGCO Corp.	5,368	622,795
Cummins, Inc.	2,014	439,334
Ingersoll Rand, Inc.*	8,248	510,304
Oshkosh Corp.	2,656	299,358
Parker-Hannifin Corp.	1,443	459,047
		2,330,838
Professional Services 0.5%		
TransUnion	2,526	299,533
Verisk Analytics, Inc.	1,354	309,701
		609,234
Road & Rail 0.6%		
Norfolk Southern Corp.	2,347	**698,725**
Information Technology 28.9%		
Communications Equipment 1.0%		
Cisco Systems, Inc.	19,485	**1,234,764**
IT Services 2.6%		
Accenture PLC "A"	1,664	689,811
DXC Technology Co.*	15,590	501,842
Visa, Inc. "A" (a)	9,543	2,068,064
		3,259,717
Semiconductors & Semiconductor Equipment 5.6%		
Advanced Micro Devices, Inc.*	9,003	1,295,532
Intel Corp.	27,893	1,436,489
NVIDIA Corp.	6,582	1,935,832
QUALCOMM, Inc.	12,349	2,258,262
		6,926,115
Software 11.4%		
Dynatrace, Inc.*	8,953	540,314
Intuit, Inc.	725	466,335
Microsoft Corp.	27,493	9,246,446
Oracle Corp.	27,597	2,406,734
salesforce.com, Inc.*	3,438	873,699
Synopsys, Inc.*	1,813	668,090
		14,201,618
Technology Hardware, Storage & Peripherals 8.3%		
Apple, Inc.	58,298	**10,351,976**
Materials 2.3%		
Chemicals 1.3%		
DuPont de Nemours, Inc.	5,824	470,463
Linde PLC*	1,635	566,413
The Mosaic Co.	13,946	547,938
		1,584,814
Metals & Mining 1.0%		
Arconic Corp.*	17,289	570,710
Newmont Corp.	6,745	418,325
United States Steel Corp.	10,729	255,457
		1,244,492
Real Estate 3.6%		
Equity Real Estate Investment Trusts (REITs)		
AvalonBay Communities, Inc.	5,215	1,317,257

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

	Shares	Value ($)
Iron Mountain, Inc.	29,868	1,562,992
Prologis, Inc.	9,709	1,634,607
		4,514,856
Utilities 2.3%		
Electric Utilities 0.7%		
NextEra Energy, Inc.	9,752	**910,447**
Multi-Utilities 0.6%		
Public Service Enterprise Group, Inc.	10,514	**701,599**
Water Utilities 1.0%		
American Water Works Co., Inc.	6,628	**1,251,764**
Total Common Stocks (Cost $67,650,972)		**123,509,475**

Securities Lending Collateral 2.5%

	Shares	Value ($)
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $3,050,235)	3,050,235	**3,050,235**

Cash Equivalents 0.9%

	Shares	Value ($)
DWS Central Cash Management Government Fund, 0.05% (b) (Cost $1,168,134)	1,168,134	**1,168,134**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $71,869,341)	102.6	**127,727,844**
Other Assets and Liabilities, Net	(2.6)	**(3,268,126)**
Net Assets	100.0	**124,459,718**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 2.5%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
3,846,941	—	796,706 (d)	—	—	5,349	—	3,050,235	3,050,235
Cash Equivalents 0.9%								
DWS Central Cash Management Government Fund, 0.05% (b)								
740,536	13,844,138	13,416,540	—	—	198	—	1,168,134	1,168,134
4,587,477	**13,844,138**	**14,213,246**	**—**	**—**	**5,547**	**—**	**4,218,369**	**4,218,369**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $2,960,674, which is 2.4% of net assets.

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

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

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

ADR: American Depositary Receipt

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

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Common Stocks (a)	$ 123,509,475	$ —	$ —	$ 123,509,475
Short-Term Investments (a)	4,218,369	—	—	4,218,369
Total	**$ 127,727,844**	**$ —**	**$ —**	**$ 127,727,844**

(a) See Investment Portfolio for additional detailed categorizations.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $67,650,972) — including $2,960,674 of securities loaned	$ 123,509,475
Investment in DWS Government & Agency Securities Portfolio (cost $3,050,235)*	3,050,235
Investment in DWS Central Cash Management Government Fund (cost $1,168,134)	1,168,134
Cash	14,504
Receivable for Fund shares sold	628
Dividends receivable	64,389
Interest receivable	898
Other assets	2,037
Total assets	127,810,300
Liabilities	
Payable upon return of securities loaned	3,050,235
Payable for Fund shares redeemed	165,150
Accrued management fee	40,594
Accrued Trustees' fees	1,460
Other accrued expenses and payables	93,143
Total liabilities	3,350,582
Net assets, at value	**$ 124,459,718**
Net Assets Consist of	
Distributable earnings (loss)	71,549,863
Paid-in capital	52,909,855
Net assets, at value	**$ 124,459,718**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($120,821,967 ÷ 8,323,929 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 14.52**
Class B	
Net Asset Value, offering and redemption price per share ($3,637,751 ÷ 251,030 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 14.49**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends	$ 1,471,312
Income distributions — DWS Central Cash Management Government Fund	198
Securities lending income, net of borrower rebates	5,349
Total income	1,476,859
Expenses:	
Management fee	460,464
Administration fee	114,526
Services to shareholders	1,294
Record keeping fee (Class B)	2,219
Distribution service fee (Class B)	8,651
Custodian fee	5,432
Audit fee	53,933
Legal fees	16,334
Tax fees	8,316
Reports to shareholders	25,578
Trustees' fees and expenses	5,868
Other	5,813
Total expenses	708,428
Net investment income	**768,431**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	15,286,776
Payments by affiliates (see Note F)	2,512
	15,289,288
Change in net unrealized appreciation (depreciation) on investments	10,515,608
Net gain (loss)	**25,804,896**
Net increase (decrease) in net assets resulting from operations	**$26,573,327**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 768,431	$ 997,393
Net realized gain (loss)	15,289,288	5,117,424
Change in net unrealized appreciation (depreciation)	10,515,608	8,536,882
Net increase (decrease) in net assets resulting from operations	26,573,327	14,651,699
Distributions to shareholders:		
Class A	(6,046,519)	(5,813,005)
Class B	(170,977)	(175,513)
Total distributions	(6,217,496)	(5,988,518)
Fund share transactions:		
Class A		
Proceeds from shares sold	5,044,139	2,502,706
Reinvestment of distributions	6,046,519	5,813,005
Payments for shares redeemed	(17,124,502)	(16,323,485)
Net increase (decrease) in net assets from Class A share transactions	(6,033,844)	(8,007,774)
Class B		
Proceeds from shares sold	141,029	141,998
Reinvestment of distributions	170,977	175,513
Payments for shares redeemed	(790,942)	(428,535)
Net increase (decrease) in net assets from Class B share transactions	(478,936)	(111,024)
Increase (decrease) in net assets	13,843,051	544,383
Net assets at beginning of period	110,616,667	110,072,284
Net assets at end of period	**$124,459,718**	**$110,616,667**
Other Information		
Class A		
Shares outstanding at beginning of period	8,760,193	9,438,162
Shares sold	376,354	240,122
Shares issued to shareholders in reinvestment of distributions	469,450	652,414
Shares redeemed	(1,282,068)	(1,570,505)
Net increase (decrease) in Class A shares	(436,264)	(677,969)
Shares outstanding at end of period	**8,323,929**	**8,760,193**
Class B		
Shares outstanding at beginning of period	288,118	295,485
Shares sold	10,402	12,670
Shares issued to shareholders in reinvestment of distributions	13,265	19,676
Shares redeemed	(60,755)	(39,713)
Net increase (decrease) in Class B shares	(37,088)	(7,367)
Shares outstanding at end of period	**251,030**	**288,118**

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

Financial Highlights

DWS Core Equity VIP — Class A

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$12.23**	**$11.31**	**$9.83**	**$14.64**	**$13.16**
Income (loss) from investment operations:					
Net investment income[a]	.09	.11	.14	.14	.17
Net realized and unrealized gain (loss)	2.91	1.47	2.70	(.71)	2.44
Total from investment operations	3.00	1.58	2.84	(.57)	2.61
Less distributions from:					
Net investment income	(.10)	(.15)	(.12)	(.27)	(.17)
Net realized gains	(.61)	(.51)	(1.24)	(3.97)	(.96)
Total distributions	(.71)	(.66)	(1.36)	(4.24)	(1.13)
Net asset value, end of period	**$14.52**	**$12.23**	**$11.31**	**$9.83**	**$14.64**
Total Return (%)	25.30	16.13	30.30	(5.69)	21.02
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	121	107	107	92	105
Ratio of expenses (%)[b]	.59	.62	.62	.61	.57
Ratio of net investment income (%)	.66	1.01	1.32	1.14	1.22
Portfolio turnover rate (%)	34	45	40	43	39

[a] Based on average shares outstanding during the period.

[b] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

DWS Core Equity VIP — Class B

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$12.21**	**$11.29**	**$9.81**	**$14.62**	**$13.14**
Income (loss) from investment operations:					
Net investment income[a]	.05	.07	.11	.10	.13
Net realized and unrealized gain (loss)	2.90	1.48	2.70	(.72)	2.44
Total from investment operations	2.95	1.55	2.81	(.62)	2.57
Less distributions from:					
Net investment income	(.06)	(.12)	(.09)	(.22)	(.13)
Net realized gains	(.61)	(.51)	(1.24)	(3.97)	(.96)
Total distributions	(.67)	(.63)	(1.33)	(4.19)	(1.09)
Net asset value, end of period	**$14.49**	**$12.21**	**$11.29**	**$9.81**	**$14.62**
Total Return (%)	24.94	15.67	29.92	(6.02)	20.68
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	4	4	3	3	3
Ratio of expenses (%)[b]	.91	.94	.94	.93	.86
Ratio of net investment income (%)	.34	.69	1.00	.82	.94
Portfolio turnover rate (%)	34	45	40	43	39

[a] Based on average shares outstanding during the period.

[b] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

Notes to Financial Statements

A. Organization and Significant Accounting Policies

Deutsche DWS Variable Series I (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust. The Trust consists of four diversified funds: DWS Capital Growth VIP, DWS Core Equity VIP, DWS CROCI® International VIP and DWS Global Small Cap VIP (individually or collectively hereinafter referred to as a "Fund" or the "Funds"). These financial statements report on DWS Core Equity VIP. The Trust is intended to be the underlying investment vehicle for variable annuity contracts and variable life insurance policies to be offered by the separate accounts of certain life insurance companies ("Participating Insurance Companies").

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities and exchange-traded funds ("ETFs") are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Equity securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities or ETFs are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Trustees and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements was overnight and continuous.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Federal Income Taxes. The Fund is treated as a separate taxpayer as provided for in the Internal Revenue Code, as amended. It is the Fund's policy to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to the separate accounts of the Participating Insurance Companies which hold its shares.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to certain securities sold at a loss. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 1,802,142
Undistributed long-term capital gains	$ 14,184,889
Net unrealized appreciation (depreciation) on investments	$ 55,544,264

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $72,183,580. The net unrealized appreciation for all investments based on tax cost was $55,544,264. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $57,617,557 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $2,073,293.

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

	Years Ended December 31,	
	2021	**2020**
Distributions from ordinary income*	$ 904,846	$ 1,359,627
Distributions from long-term capital gains	$ 5,312,650	$ 4,628,891

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $39,126,611 and $51,047,924, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million of average daily net assets	.390%
Next $750 million of average daily net assets	.365%
Over $1 billion of average daily net assets	.340%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.39% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.72%
Class B	1.04%

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.66%
Class B	.98%

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $114,526, of which $10,096 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 763	$ 128
Class B	158	27
	$ 921	**$ 155**

Distribution Service Agreement. DWS Distributors, Inc. ("DDI"), also an affiliate of the Advisor, is the Trust's Distributor. In accordance with the Master Distribution Plan, DDI receives 12b-1 fees of up to 0.25% of the average daily net assets of Class B shares. Pursuant to the Master Distribution Plan, DDI remits these fees to the Participating Insurance Companies for various costs incurred or paid by these companies in connection with marketing and distribution of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $8,651, of which $759 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $932, of which $80 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $403.

D. Ownership of the Fund

At December 31, 2021, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 50% and 16%, respectively. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 49% and 36%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Payments by Affiliates

During the year ended December 31, 2021, the Advisor agreed to reimburse the Fund $2,512 for commission costs incurred in connection with purchases and sales of portfolio assets. The amount reimbursed was less than 0.01% of the Fund's average net assets, thus having no impact on the Fund's total return.

G. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series I and Shareholders of DWS Core Equity VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Core Equity VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series I) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series I) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses **(Unaudited)**

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,089.30	$ 1,087.00
Expenses Paid per $1,000*	$ 3.05	$ 4.73

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,022.28	$ 1,020.67
Expenses Paid per $1,000*	$ 2.96	$ 4.58

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series I — DWS Core Equity VIP	.58%	.90%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

The Fund paid distributions of $0.61 per share from net long-term capital gains during its year ended December 31, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $15,647,970 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 100% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Core Equity VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 3rd quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has underperformed its benchmark in the one-, three- and five-year periods ended December 31, 2020. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to improve performance. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (2nd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to a comparable DWS U.S. registered fund ("DWS Funds") and considered differences between the Fund and the comparable DWS Fund. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

Notes

VS1coreq-2 (R-025822-13 2/22)

December 31, 2021

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 ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

On January 31, 2020, the United Kingdom officially withdrew from the European Union (EU) pursuant to a withdrawal agreement, providing for a transition period in which the United Kingdom negotiated and finalized a trade deal with the EU, the EU-UK Trade and Cooperation Agreement, provisionally applied effective January 1, 2021. As a result, as of January 1, 2021 the United Kingdom is no longer part of the EU customs union and single market, nor is it subject to EU policies and international agreements. The long-term impact of the United Kingdom's withdrawal from the EU is still unknown and could have adverse economic and political effects on the United Kingdom, the EU and its member countries, and the global economy, including financial markets and asset valuations.

Performance Summary

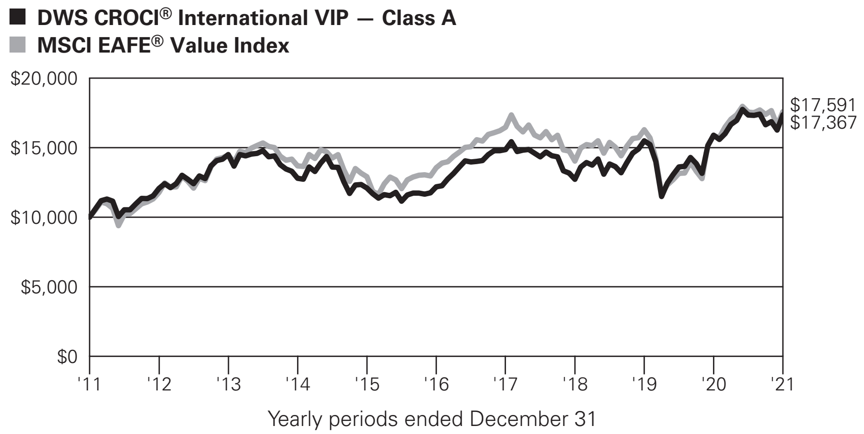
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.99% and 1.27% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



MSCI EAFE (Europe, Australasia and the Far East) Value Index captures large and mid-capitalization securities exhibiting overall value style characteristics across developed markets countries around the world, excluding the U.S. and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

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

Comparative Results

DWS CROCI® International VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$10,924	$13,650	$14,251	$17,367
	Average annual total return	9.24%	10.93%	7.34%	5.67%
MSCI EAFE Value Index	Growth of $10,000	$11,089	$12,535	$12,973	$17,591
	Average annual total return	10.89%	7.82%	5.34%	5.81%

DWS CROCI® International VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$10,894	$13,537	$14,081	$16,929
	Average annual total return	8.94%	10.62%	7.09%	5.41%
MSCI EAFE Value Index	Growth of $10,000	$11,089	$12,535	$12,973	$17,591
	Average annual total return	10.89%	7.82%	5.34%	5.81%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

The Fund returned 9.24% (Class A Shares, unadjusted for contract charges) in 2021 and underperformed the 10.89% return of its benchmark, the MSCI EAFE Value Index.

International equities performed very well in the annual period, as the gradual lifting of virus-related restrictions contributed to a surge in economic growth and corporate earnings. Monetary policy was also supportive for the majority of the year, with most central banks holding interest rates near zero and maintaining stimulative quantitative easing programs. Although concerns about new variants of the coronavirus, rising inflation, and the possibility of higher interest rates caused some volatility near year-end, the index nonetheless delivered a double-digit return. Value stocks performed largely in line with the overall market in 2021, as gauged by the 11.26% return for the MSCI EAFE Index.

The Fund underperformed somewhat in 2021, but it's important to keep in mind that our investment strategy leads to a portfolio that is quite different in comparison to the broad-based indexes. The types of lower-beta stocks in which we invest have been out of fashion since the lows of early 2020, as investors have scrambled to keep up with the market's impressive recovery. We may have begun to see the beginnings of a potential shift in this trend in December, when the possibility of tighter central bank policy depressed investor risk appetites and led to a sudden reversal of fortune for lower-beta dividend payers. With this as background, we believe the Fund offers a compelling option for investors who want a way to balance their portfolios through exposure to undervalued, more defensive companies.

While stock selection had a positive effect on Fund performance in the annual period, the benefit was outweighed by the negative impact from sector allocations. The majority of the shortfall stemmed from a sizable overweight position in health care. The sector, while posting a positive return, was the worst performer of the eleven sectors in the index due in part to the larger rotation away from defensive areas of the market. A zero weighting in energy, which rallied on the strength of rising oil prices, also detracted. On the positive side, an overweight in information technology and underweights in real estate and utilities contributed.

With respect to stock selection, we delivered the best results in the industrials sector. The maritime shipping company AP Moller - Maersk AS, which benefited from a substantial gain in the rates it can charge its customers, was the top contributor. Health care was our second-strongest sector thanks to positions in two European stocks. The German life sciences company Merck KGaA* gained ground on the strength of its attractive growth profile, while the Danish multinational pharmaceutical company Novo Nordisk AS* rallied after management raised its earnings guidance. The consumer discretionary and financial sectors were also areas of strength for the Fund in 2021. Tokyo Electron Ltd., which benefited from the general uptrends across the semiconductor industry, was the leading individual contributor for the year.

On the other hand, stock selection in materials was a meaningful detractor. Shares of the mining stock BHP Group Ltd. declined sharply in the latter half of the year due in part to concerns about the demand outlook in China. A position in the Swiss building materials company Holcim Ltd., which suffered from both rising input costs and worries about a possible slowdown in the European housing market, was another key detractor in materials. Nintendo, Ltd.,* which was pressured by weaker sales due to lack of major new game titles, was the Fund's largest overall detractor for the year.

International equities lagged the United States for the fourth consecutive year in 2021. One of the most important reasons for the persistent disparity has been the ongoing outperformance for mega-cap U.S. technology stocks. Although this trend has proven enduring, we also think that it creates the potential for the international markets to demonstrate improved relative performance if this narrow group of leaders begins to lose steam.

Di Kumble, CFA, Senior Portfolio Manager Equity

John Moody, Portfolio Manager Equity

Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

MSCI EAFE Value Index captures large and mid-capitalization securities exhibiting overall value style characteristics across developed markets countries around the world, excluding the U.S. and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

MSCI EAFE Index is an unmanaged equity index which captures large and mid-capitalization representation across 21 developed markets countries around the world, excluding the U.S. and Canada. It covers approximately 85% of the free float-adjusted market capitalization in each country.

Beta measures a security's sensitivity to the movements of the fund's benchmark or the market as a whole.

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

Consumer discretionary represents industries that produce goods and services that are not necessities in everyday life.

Overweight means the Fund holds a higher weighting in a given sector or security than the benchmark. **Underweight** means the Fund holds a lower weighting.

* Not held at December 31, 2021.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	99%	97%
Cash Equivalents	1%	0%
Preferred Stocks	—	3%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Health Care	19%	20%
Financials	19%	15%
Industrials	15%	8%
Materials	13%	12%
Consumer Discretionary	9%	16%
Consumer Staples	9%	11%
Information Technology	9%	10%
Communication Services	5%	5%
Utilities	2%	3%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Japan	27%	27%
United Kingdom	14%	14%
Switzerland	13%	10%
France	10%	13%
Australia	10%	8%
Germany	7%	10%
Netherlands	5%	3%
Denmark	4%	3%
Belgium	3%	2%
Spain	2%	—
Finland	2%	1%
Singapore	—	3%
Italy	—	3%
Sweden	—	2%
Other	3%	1%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 98.9%		
Australia 9.7%		
Australia & New Zealand Banking Group Ltd.	84,558	1,692,456
BHP Group Ltd. (a)	106,025	3,205,303
BlueScope Steel Ltd.	18,267	278,217
Commonwealth Bank of Australia	4,883	358,692
National Australia Bank Ltd.	63,855	1,339,399
Sonic Healthcare Ltd.	37,000	1,256,895
(Cost $6,578,489)		**8,130,962**
Belgium 3.1%		
Solvay SA	4,135	480,232
UCB SA	18,773	2,148,675
(Cost $2,722,346)		**2,628,907**
Denmark 4.4%		
AP Moller - Maersk AS "B"	896	3,214,461
Pandora A/S	3,404	423,861
(Cost $2,011,880)		**3,638,322**
Finland 1.8%		
Nokia Oyj* (Cost $943,520)	235,625	**1,485,329**
France 10.3%		
BNP Paribas SA	54,732	3,785,632
Credit Agricole SA	124,264	1,775,345
Engie SA	82,054	1,215,170
Kering SA	488	392,680
Television Francaise 1	142,971	1,421,702
(Cost $6,614,770)		**8,590,529**
Germany 7.2%		
Bayer AG (Registered)	21,659	1,159,268
Beiersdorf AG	15,671	1,611,849
Deutsche Boerse AG	1,603	268,033
Deutsche Post AG (Registered)	30,613	1,964,083
Fresenius SE & Co. KGaA	15,080	606,563
HeidelbergCement AG	5,781	392,003
(Cost $5,996,822)		**6,001,799**
Hong Kong 0.9%		
Hong Kong & China Gas Co., Ltd. (Cost $717,433)	468,000	**729,427**
Ireland 0.8%		
CRH PLC (Cost $426,464)	12,532	**665,017**
Japan 27.1%		
Astellas Pharma, Inc.	56,600	920,788
Dentsu Group, Inc.	14,500	516,919
ITOCHU Corp.	25,500	780,405
KDDI Corp.	20,700	604,214
Mitsubishi UFJ Financial Group, Inc.	113,200	613,958
Murata Manufacturing Co., Ltd.	10,100	802,595
NEC Corp.	4,900	226,302
Nitto Denko Corp.	8,700	671,338
Otsuka Holdings Co., Ltd.	31,000	1,122,732
Sekisui House Ltd.	99,000	2,124,178
Seven & i Holdings Co., Ltd.	10,500	461,468
Shin-Etsu Chemical Co., Ltd.	6,509	1,126,186
Sony Group Corp.	8,000	1,007,309
Sumitomo Chemical Co., Ltd.	56,600	266,857
Sumitomo Mitsui Financial Group, Inc.	113,356	3,879,297
Takeda Pharmaceutical Co., Ltd.	31,200	851,363
Tokyo Electron Ltd.	5,600	3,213,215
Toyota Industries Corp.	42,332	3,383,610
(Cost $20,176,666)		**22,572,734**
Luxembourg 0.6%		
ArcelorMittal SA (Cost $533,332)	15,862	**507,575**
Netherlands 5.0%		
Koninklijke Ahold Delhaize NV	73,374	2,514,810
Koninklijke KPN NV	366,394	1,138,879
PostNL NV	113,371	495,483
(Cost $3,245,120)		**4,149,172**
Spain 2.0%		
Banco Bilbao Vizcaya Argentaria SA	88,018	522,631
Banco Santander SA	348,429	1,161,524
(Cost $1,547,630)		**1,684,155**
Switzerland 12.4%		
Holcim Ltd.	33,724	1,723,586
Logitech International SA (Registered)	14,782	1,231,134
Novartis AG (Registered)	35,650	3,131,176
Roche Holding AG (Genusschein)	10,298	4,279,926
(Cost $10,069,810)		**10,365,822**
United Kingdom 13.6%		
AstraZeneca PLC	2,310	270,533
BAE Systems PLC	93,963	698,459
Barratt Developments PLC	65,050	657,604
British American Tobacco PLC	44,438	1,649,007
Bunzl PLC	23,229	907,560
Ferguson PLC	3,598	637,215
Imperial Brands PLC	58,326	1,274,986
ITV PLC*	248,992	365,545
Kingfisher PLC	155,410	712,040
Persimmon PLC	53,615	2,071,526
Rio Tinto PLC	21,000	1,392,951

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

	Shares	Value ($)
Royal Mail PLC	47,523	325,939
Taylor Wimpey PLC	160,115	379,522
(Cost $9,268,582)		**11,342,887**
Total Common Stocks (Cost $70,852,864)		**82,492,637**

Securities Lending Collateral 4.0%

DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $3,317,912)	3,317,912	**3,317,912**

Cash Equivalents 0.8%

DWS Central Cash Management Government Fund, 0.05% (b) (Cost $615,058)	615,058	**615,058**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $74,785,834)	103.7	**86,425,607**
Other Assets and Liabilities, Net	(3.7)	**(3,043,793)**
Net Assets	100.0	**83,381,814**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 4.0%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
—	3,317,912 (d)	—	—	—	18,296	—	3,317,912	3,317,912
Cash Equivalents 0.8%								
DWS Central Cash Management Government Fund, 0.05% (b)								
249,295	7,576,820	7,211,057	—	—	191	—	615,058	615,058
249,295	**10,894,732**	**7,211,057**	**—**	**—**	**18,487**	**—**	**3,932,970**	**3,932,970**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $3,173,230, which is 3.8% of net assets.

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

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

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

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

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks				
Australia	$ —	$ 8,130,962	$ —	$ 8,130,962
Belgium	—	2,628,907	—	2,628,907
Denmark	—	3,638,322	—	3,638,322
Finland	—	1,485,329	—	1,485,329
France	—	8,590,529	—	8,590,529
Germany	—	6,001,799	—	6,001,799
Hong Kong	—	729,427	—	729,427
Ireland	—	665,017	—	665,017
Japan	—	22,572,734	—	22,572,734
Luxembourg	—	507,575	—	507,575
Netherlands	—	4,149,172	—	4,149,172
Spain	—	1,684,155	—	1,684,155
Switzerland	—	10,365,822	—	10,365,822
United Kingdom	—	11,342,887	—	11,342,887
Short-Term Investments (a)	3,932,970	—	—	3,932,970
Total	**$3,932,970**	**$82,492,637**	**$ —**	**$86,425,607**

(a) See Investment Portfolio for additional detailed categorizations.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $70,852,864) — including $3,173,230 of securities loaned	$ 82,492,637
Investment in DWS Government & Agency Securities Portfolio (cost $3,317,912)*	3,317,912
Investment in DWS Central Cash Management Government Fund (cost $615,058)	615,058
Cash	217
Foreign currency, at value (cost $64,578)	65,212
Receivable for Fund shares sold	18,836
Dividends receivable	111,514
Interest receivable	1,249
Foreign taxes recoverable	266,205
Other assets	1,677
Total assets	86,890,517
Liabilities	
Payable upon return of securities loaned	3,317,912
Payable for Fund shares redeemed	35,328
Accrued management fee	46,882
Accrued Trustees' fees	1,565
Other accrued expenses and payables	107,016
Total liabilities	3,508,703
Net assets, at value	**$ 83,381,814**
Net Assets Consist of	
Distributable earnings (loss)	(17,337,760)
Paid-in capital	100,719,574
Net assets, at value	**$ 83,381,814**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($82,998,978 ÷ 10,751,199 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 7.72**
Class B	
Net Asset Value, offering and redemption price per share ($382,836 ÷ 49,491 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 7.74**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $220,284)	$ 3,000,400
Income distributions — DWS Central Cash Management Government Fund	191
Securities lending income, net of borrower rebates	18,296
Total income	3,018,887
Expenses:	
Management fee	540,178
Administration fee	80,611
Services to shareholders	228
Distribution service fee (Class B)	942
Custodian fee	14,866
Audit fee	59,924
Legal fees	14,875
Tax fees	7,206
Reports to shareholders	41,754
Trustees' fees and expenses	4,413
Other	9,033
Total expenses before expense reductions	774,030
Expense reductions	(48,531)
Total expenses after expense reductions	725,499
Net investment income	**2,293,388**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	6,071,662
Foreign currency	(17,173)
	6,054,489
Change in net unrealized appreciation (depreciation) on:	
Investments	(1,162,011)
Foreign currency	(17,833)
	(1,179,844)
Net gain (loss)	**4,874,645**
Net increase (decrease) in net assets resulting from operations	**$ 7,168,033**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 2,293,388	$ 1,344,811
Net realized gain (loss)	6,054,489	(5,460,872)
Change in net unrealized appreciation (depreciation)	(1,179,844)	5,820,367
Net increase (decrease) in net assets resulting from operations	7,168,033	1,704,306
Distributions to shareholders:		
Class A	(2,001,186)	(2,471,928)
Class B	(8,123)	(9,620)
Total distributions	(2,009,309)	(2,481,548)
Fund share transactions:		
Class A		
Proceeds from shares sold	5,592,996	3,807,686
Reinvestment of distributions	2,001,186	2,471,928
Payments for shares redeemed	(8,759,770)	(7,817,535)
Net increase (decrease) in net assets from Class A share transactions	(1,165,588)	(1,537,921)
Class B		
Proceeds from shares sold	20,913	32,846
Reinvestment of distributions	8,123	9,620
Payments for shares redeemed	(27,757)	(17,279)
Net increase (decrease) in net assets from Class B share transactions	1,279	25,187
Increase (decrease) in net assets	3,994,415	(2,289,976)
Net assets at beginning of period	79,387,399	81,677,375
Net assets at end of period	**$83,381,814**	**$79,387,399**

Other Information		
Class A		
Shares outstanding at beginning of period	10,909,190	11,073,845
Shares sold	734,747	608,760
Shares issued to shareholders in reinvestment of distributions	263,661	453,565
Shares redeemed	(1,156,399)	(1,226,980)
Net increase (decrease) in Class A shares	(157,991)	(164,655)
Shares outstanding at end of period	**10,751,199**	**10,909,190**
Class B		
Shares outstanding at beginning of period	49,324	45,067
Shares sold	2,757	5,148
Shares issued to shareholders in reinvestment of distributions	1,066	1,759
Shares redeemed	(3,656)	(2,650)
Net increase (decrease) in Class B shares	167	4,257
Shares outstanding at end of period	**49,491**	**49,324**

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

Financial Highlights

DWS CROCI® International VIP — Class A

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$7.24**	**$7.35**	**$6.22**	**$7.34**	**$6.47**
Income (loss) from investment operations:					
Net investment income[a]	.21	.12	.22	.20	.16
Net realized and unrealized gain (loss)	.46	.00*	1.11	(1.25)	1.21
Total from investment operations	.67	.12	1.33	(1.05)	1.37
Less distributions from:					
Net investment income	(.19)	(.23)	(.20)	(.07)	(.50)
Net asset value, end of period	**$7.72**	**$7.24**	**$7.35**	**$6.22**	**$7.34**
Total Return (%)[b]	9.24	2.61	21.77	(14.39)	21.96
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	83	79	81	72	92
Ratio of expenses before expense reductions (%)[c]	.93	.99	1.11	1.13	1.10
Ratio of expenses after expense reductions (%)[c]	.87	.87	.87	.87	.84
Ratio of net investment income (%)	2.76	1.88	3.22	2.78	2.24
Portfolio turnover rate (%)	66	67	101	59	73

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

* Amount is less than $.005.

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

DWS CROCI® International VIP — Class B

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$7.26**	**$7.36**	**$6.24**	**$7.36**	**$6.48**
Income (loss) from investment operations:					
Net investment income[a]	.19	.10	.20	.18	.13
Net realized and unrealized gain (loss)	.46	.01	1.11	(1.24)	1.23
Total from investment operations	.65	.11	1.31	(1.06)	1.36
Less distributions from:					
Net investment income	(.17)	(.21)	(.19)	(.06)	(.48)
Net asset value, end of period	**$7.74**	**$7.26**	**$7.36**	**$6.24**	**$7.36**
Total Return (%)[b]	8.94	2.49	21.24	(14.57)	21.76
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	.38	.36	.33	.28	.33
Ratio of expenses before expense reductions (%)[c]	1.21	1.27	1.39	1.41	1.38
Ratio of expenses after expense reductions (%)[c]	1.13	1.12	1.12	1.12	1.09
Ratio of net investment income (%)	2.50	1.62	2.96	2.54	1.86
Portfolio turnover rate (%)	66	67	101	59	73

a Based on average shares outstanding during the period.
b Total return would have been lower had certain expenses not been reduced.
c Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

Notes to Financial Statements

A. Organization and Significant Accounting Policies

Deutsche DWS Variable Series I (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust. The Trust consists of four diversified funds: DWS Capital Growth VIP, DWS Core Equity VIP, DWS CROCI® International VIP and DWS Global Small Cap VIP (individually or collectively hereinafter referred to as a "Fund" or the "Funds"). These financial statements report on DWS CROCI® International VIP. The Trust is intended to be the underlying investment vehicle for variable annuity contracts and variable life insurance policies to be offered by the separate accounts of certain life insurance companies ("Participating Insurance Companies").

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1. For certain international equity securities, in order to adjust for events which may occur between the close of the foreign exchanges and the close of the New York Stock Exchange, a fair valuation model may be used. This fair valuation model takes into account comparisons to the valuation of American Depository Receipts (ADRs), exchange-traded funds, futures contracts and certain indices and these securities are categorized as Level 2.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Trustees and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Securities Lending. Brown Brothers Harriman & Co., as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements were overnight and continuous.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Taxes. The Fund is treated as a separate taxpayer as provided for in the Internal Revenue Code, as amended. It is the Fund's policy to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to the separate accounts of the Participating Insurance Companies which hold its shares.

Additionally, the Fund may be subject to taxes imposed by the governments of countries in which it invests and are generally based on income and/or capital gains earned or repatriated, a portion of which may be recoverable. Based upon the current interpretation of the tax rules and regulations, estimated tax liabilities and recoveries on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized gain/loss on investments. Tax liabilities realized as a result of security sales are reflected as a component of net realized gain/loss on investments.

At December 31, 2021, the Fund had net tax basis capital loss carryforwards of approximately $30,408,000, including short-term losses ($10,049,000) and long-term losses ($20,359,000), which may be applied against realized net taxable capital gains indefinitely.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provisions for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to investments in foreign denominated investments, passive foreign investment companies and certain securities sold at a loss. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 2,253,771
Capital loss carryforwards	$ (30,408,000)
Net unrealized appreciation (depreciation) on investments	$ 10,814,496

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $75,611,111. The net unrealized appreciation for all investments based on tax cost was $10,814,496. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $13,088,878 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $2,274,382.

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

	Years Ended December 31,	
	2021	**2020**
Distributions from ordinary income*	$ 2,009,309	$ 2,481,548

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific Fund are allocated to that Fund. Other Trust expenses which cannot be directly attributed to a Fund are apportioned among the Funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis net of foreign withholding taxes. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Certain dividends from foreign securities may be recorded subsequent to the ex-dividend date as soon as the Fund is informed of such dividends. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $53,859,294 and $55,180,061, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $500 million of average daily net assets	.650%
Over $500 million of average daily net assets	.600%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.65% of the Fund's average daily net assets.

For the period from January 1, 2021 through April 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.87%
Class B	1.12%

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.88%
Class B	1.13%

Effective October 1, 2021 through September 30, 2022 (through April 30, 2022 for Class B shares), the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.86%
Class B	1.13%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 48,232
Class B	299
	$ 48,531

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $80,611, of which $6,678 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 802	$ 136
Class B	103	17
	$ 905	**$ 153**

Distribution Service Agreement. DWS Distributors, Inc. ("DDI"), also an affiliate of the Advisor, is the Trusts' Distributor. In accordance with the Master Distribution Plan, DDI receives 12b-1 fees of up to 0.25% of the average daily net assets of Class B shares. Pursuant to the Master Distribution Plan, DDI remits these fees to the Participating Insurance Companies for various costs incurred or paid by these companies in connection with marketing and distribution of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $942, of which $79 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,432, of which $580 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

D. Ownership of the Fund

At December 31, 2021, four participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 28%, 17%, 12% and 12%, respectively. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 87% and 10%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series I and Shareholders of DWS CROCI® International VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS CROCI® International VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series I) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series I) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,001.30	$ 1,001.30
Expenses Paid per $1,000*	$ 4.39	$ 5.70

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,020.82	$ 1,019.51
Expenses Paid per $1,000*	$ 4.43	$ 5.75

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series I — DWS CROCI® International VIP	.87%	1.13%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

The Fund paid foreign taxes of $181,797 and earned $2,291,219 of foreign source income during the year ended December 31, 2021. Pursuant to Section 853 of the Internal Revenue Code, the Fund designates $0.02 per share as foreign taxes paid and $0.21 per share as income earned from foreign sources for the year ended December 31, 2021.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS CROCI® International VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 2nd quartile, 1st quartile and 1st quartile, respectively, of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has outperformed its benchmark in the one-, three-, and five-year periods ended December 31, 2020.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (2nd quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that, effective October 1, 2019, in connection with the 2019 contract renewal process, DIMA agreed to reduce the Fund's contractual management fee at each breakpoint by 0.14% and 0.04%, respectively. The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board noted that DIMA pays a licensing fee to an affiliate related to the Fund's use of the CROCI® strategy. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered “interested persons” of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund’s Statement of Additional Information (“SAI”) includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

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December 31, 2021

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 ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

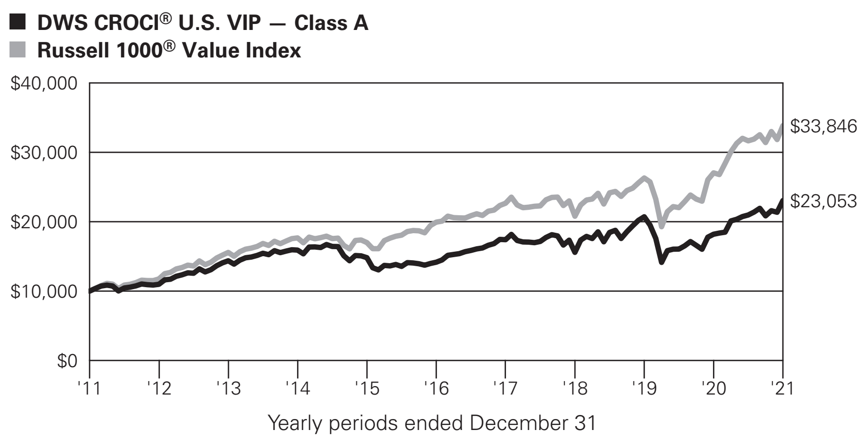
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.80% and 1.12% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



Russell 1000® Value Index is an unmanaged market capitalization-weighted index of value-oriented stocks of the largest U.S. domiciled companies that are included in the Russell 1000 Index. Value-oriented stocks tend to have lower price-to-book ratios and lower forecasted growth values. Russell 1000 Index is an unmanaged price-only index of the 1,000 largest capitalized companies that are domiciled in the U.S. and whose common stocks are traded.

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

Prior to May 1, 2017, the Fund operated with a different investment strategy. Prior to October 3, 2016, the Fund had a team that operated with a different investment strategy. Performance would have been different if the Fund's current strategy had been in effect.

Comparative Results

DWS CROCI® U.S. VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$12,669	$14,795	$16,272	$23,053
	Average annual total return	26.69%	13.95%	10.23%	8.71%
Russell 1000® Value Index	Growth of $10,000	$12,516	$16,281	$16,976	$33,846
	Average annual total return	25.16%	17.64%	11.16%	12.97%

DWS CROCI® U.S. VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$12,627	$14,652	$16,021	$22,364
	Average annual total return	26.27%	13.58%	9.88%	8.38%
Russell 1000® Value Index	Growth of $10,000	$12,516	$16,281	$16,976	$33,846
	Average annual total return	25.16%	17.64%	11.16%	12.97%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

The Fund produced a robust gain of 26.69% (Class A shares, unadjusted for contract charges) in 2021 and outperformed the 25.16% return of its benchmark, the Russell 1000® Value Index.

Stocks performed well in 2021 thanks in part to the rollout of COVID-19 vaccines and the gradual re-opening of the economy that followed. Economic growth and corporate earnings came in well above expectations in the first half of the year as a result, propelling the market higher. U.S. Federal Reserve (Fed) policy was also supportive for most of the year, with near-zero interest rates and the continuation of the stimulative quantitative easing program. A series of fiscal stimulus packages enacted by the U.S. government provided additional momentum for both economic growth and investor sentiment. In combination, these developments helped investors look beyond risk factors such as rising inflation, worries about China's economy, and the emergence of new variants of COVID-19. Value stocks slightly underperformed growth, largely as a result of the strong showing for a narrow group of mega-cap U.S. technology-related companies.

Our strategy tends to favor defensive companies and tilt away from those that are higher-beta and/or more economically sensitive. While this approach would typically be expected to weigh on relative performance during a year in which the market posted a double-digit gain, the Fund in fact outpaced the benchmark on the strength of individual stock selection. The Fund delivered its strongest results in information technology, where holdings in a number of semiconductor companies logged returns well in excess of both their sector peers and the market as a whole. Among these were Broadcom, Inc., QUALCOMM, Inc., KLA Corp., and Micron Technology, Inc. Positions in Cisco Systems, Inc. and Oracle Corp. added value, as well. Selection was also positive in communications services, with the largest contribution coming from an overweight position in Discovery, Inc.* The stock rebounded from its pandemic-driven sell-off of 2020 behind a robust recovery in advertising revenues. Consumer discretionary was another area of strength for the Fund, led by AutoZone, Inc., the homebuilder D.R. Horton, Inc., and eBay, Inc.

On the other hand, the health care company Viatris, Inc.* was the largest detractor. The stock suffered negative returns due to the combination of lower guidance, increased costs, and concerns that the company may have to reduce its dividend payment. The Fund lost ground through positions in a number of food producers, including Campbell Soup Co.* and Conagra Brands, Inc.,* that were pressured by worries that rising input costs will compel them either to raise prices or suffer a hit to their profit margins.

Sector allocation was a net detractor for the year, reducing the positive impact from stock selection. The Fund was hurt by its overweight position in the defensive consumer staples sector, as well as its underweights in energy and financials. The two sectors were the best and third-best sector performers, respectively, in 2021. A zero weighting in real estate, which finished with the second-best return, also detracted from results.

We adjusted our approach during the course of the year. While in the past we sought to maintain approximately equal weightings in all of the portfolio's holdings, we have introduced a new portfolio optimization process. The goal of this shift was to preserve the potential benefit from stock selection, while using more disciplined risk controls to reduce performance divergences in relation to the benchmark. One result of this process is that the portfolio's sector weightings moved closer to those of the index.

The outlook for economic growth, corporate earnings, and global central bank policy, after supporting market performance for an extended period, became more murky late in 2021. Together with the emergence of new risk factors and valuations that are above the historical average, these factors indicate that broad-based market strength may no longer act as the proverbial rising tide that lifts all boats. Instead, we believe investors will start to place a greater emphasis on the fundamentals and valuations of individual companies — a trend we think could work in favor of the types of stocks we hold in the Fund.

Di Kumble, CFA, Senior Portfolio Manager Equity
John Moody, Portfolio Manager Equity
Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

Russell 1000 Value Index is an unmanaged market capitalization-weighted index of value-oriented stocks of the largest U.S. domiciled companies that are included in the Russell 1000® Index. Value-oriented stocks tend to have lower price-to-book ratios and lower forecasted growth values. Russell 1000 Index is an unmanaged price-only index of the 1,000 largest capitalized companies that are domiciled in the U.S. and whose common stocks are traded.

Stock selection refers to the performance of the Fund's holdings in a given sector relative to the sector as a whole.

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

Overweight means the Fund holds a higher weighting in a given sector or security than the benchmark. **Underweight** means the Fund holds a lower weighting.

* Not held at December 31, 2021.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	100%	100%
Cash Equivalents	0%	0%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Information Technology	30%	16%
Health Care	23%	25%
Financials	12%	5%
Consumer Discretionary	10%	12%
Consumer Staples	9%	24%
Communication Services	8%	11%
Industrials	5%	7%
Materials	2%	—
Energy	1%	—
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 99.7%		
Communication Services 8.0%		
Interactive Media & Services 6.5%		
Alphabet, Inc. "A"*	1,124	3,256,273
Meta Platforms, Inc. "A"*	19,802	6,660,402
		9,916,675
Media 1.5%		
Fox Corp. "A"	50,549	1,865,258
ViacomCBS, Inc. "B"	12,365	373,176
		2,238,434
Consumer Discretionary 9.7%		
Hotels, Restaurants & Leisure 0.6%		
Boyd Gaming Corp.*	12,776	**837,722**
Household Durables 2.1%		
D.R. Horton, Inc.	30,125	**3,267,056**
Internet & Direct Marketing Retail 1.1%		
eBay, Inc.	26,072	**1,733,788**
Multiline Retail 2.4%		
Dollar General Corp.	15,554	**3,668,100**
Specialty Retail 3.3%		
AutoNation, Inc.*	7,795	910,846
AutoZone, Inc.*	679	1,423,449
Bath & Body Works, Inc.	6,423	448,261
Lowe's Companies, Inc.	8,352	2,158,825
		4,941,381
Textiles, Apparel & Luxury Goods 0.2%		
Tapestry, Inc.	8,994	**365,157**
Consumer Staples 8.6%		
Beverages 1.0%		
Constellation Brands, Inc. "A"	5,923	**1,486,495**
Food & Staples Retailing 1.9%		
Kroger Co.	64,487	**2,918,682**
Food Products 2.8%		
J M Smucker Co.	20,998	2,851,948
Tyson Foods, Inc. "A"	15,839	1,380,527
		4,232,475
Tobacco 2.9%		
Altria Group, Inc.	38,535	1,826,174
Philip Morris International, Inc.	27,933	2,653,635
		4,479,809
Energy 1.1%		
Oil, Gas & Consumable Fuels		
ONEOK, Inc.	7,191	422,543
Pioneer Natural Resources Co.	4,415	803,000
Williams Companies, Inc.	15,462	402,631
		1,628,174

	Shares	Value ($)
Financials 11.7%		
Banks 4.8%		
Bank of America Corp.	40,852	1,817,506
Citigroup, Inc.	9,940	600,277
JPMorgan Chase & Co.	15,921	2,521,090
U.S. Bancorp.	41,154	2,311,620
		7,250,493
Capital Markets 3.6%		
Bank of New York Mellon Corp.	46,427	2,696,480
Northern Trust Corp.	4,231	506,070
State Street Corp.	24,340	2,263,620
		5,466,170
Consumer Finance 3.3%		
Capital One Financial Corp.	16,486	2,391,954
Discover Financial Services	9,269	1,071,125
Synchrony Financial	33,928	1,573,920
		5,036,999
Health Care 22.6%		
Biotechnology 5.9%		
AbbVie, Inc.	30,388	4,114,535
Biogen, Inc.*	2,683	643,705
Gilead Sciences, Inc.	5,503	399,573
Regeneron Pharmaceuticals, Inc.*	6,043	3,816,276
		8,974,089
Health Care Providers & Services 5.4%		
HCA Healthcare, Inc.	5,979	1,536,125
Laboratory Corp. of America Holdings*	8,248	2,591,604
McKesson Corp.	5,709	1,419,086
Quest Diagnostics, Inc.	12,881	2,228,542
Tenet Healthcare Corp.*	5,124	418,579
		8,193,936
Pharmaceuticals 11.3%		
Bristol-Myers Squibb Co.	96,976	6,046,454
Johnson & Johnson	37,643	6,439,588
Pfizer, Inc.	80,568	4,757,540
		17,243,582
Industrials 5.3%		
Air Freight & Logistics 3.0%		
Expeditors International of Washington, Inc. (a)	33,824	**4,542,225**
Industrial Conglomerates 1.5%		
3M Co.	12,910	**2,293,203**
Machinery 0.6%		
Stanley Black & Decker, Inc.	4,597	**867,086**
Professional Services 0.2%		
ManpowerGroup, Inc.	4,015	**390,780**

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

	Shares	Value ($)
Information Technology 30.3%		
Communications Equipment 2.1%		
Cisco Systems, Inc.	50,043	**3,171,225**
Electronic Equipment, Instruments & Components 1.1%		
Flex Ltd.*	22,165	406,284
Jabil, Inc.	18,934	1,332,007
		1,738,291
IT Services 6.3%		
Amdocs Ltd.	41,485	3,104,738
Cognizant Technology Solutions Corp. "A"	35,264	3,128,622
International Business Machines Corp.	24,735	3,306,080
		9,539,440
Semiconductors & Semiconductor Equipment 10.4%		
Applied Materials, Inc.	17,129	2,695,420
Broadcom, Inc.	6,213	4,134,192
KLA Corp.	3,245	1,395,707
Lam Research Corp.	1,936	1,392,274
Micron Technology, Inc.	18,307	1,705,297
QUALCOMM, Inc.	12,430	2,273,074
Skyworks Solutions, Inc.	9,769	1,515,563
Teradyne, Inc.	4,564	746,351
		15,857,878
Software 7.2%		
Microsoft Corp.	2,798	941,023
Oracle Corp.	29,990	2,615,428
SS&C Technologies Holdings, Inc.	89,666	7,350,819
		10,907,270
Technology Hardware, Storage & Peripherals 3.2%		
Apple, Inc.	21,453	3,809,409
Hewlett Packard Enterprise Co.	25,227	397,830
HP, Inc.	15,605	587,840
		4,795,079
Materials 2.4%		
Chemicals 0.6%		
Olin Corp.	16,421	**944,536**
Containers & Packaging 0.6%		
Amcor PLC	44,845	538,588
Westrock Co.	8,677	384,912
		923,500
Metals & Mining 1.2%		
Nucor Corp.	15,138	**1,728,003**
Total Common Stocks (Cost $130,981,233)		**151,577,733**

Securities Lending Collateral 0.5%

	Shares	Value ($)
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $763,000)	763,000	**763,000**

Cash Equivalents 0.4%

	Shares	Value ($)
DWS Central Cash Management Government Fund, 0.05% (b) (Cost $572,173)	572,173	**572,173**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $132,316,406)	100.6	**152,912,906**
Other Assets and Liabilities, Net	(0.6)	**(900,307)**
Net Assets	100.0	**152,012,599**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 0.5%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
4,309,705	—	3,546,705 (d)	—	—	1,268	—	763,000	763,000
Cash Equivalents 0.4%								
DWS Central Cash Management Government Fund, 0.05% (b)								
621,226	13,463,621	13,512,674	—	—	255	—	572,173	572,173
4,930,931	**13,463,621**	**17,059,379**	**—**	**—**	**1,523**	**—**	**1,335,173**	**1,335,173**

* Non-income producing security.

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

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $752,024, which is 0.5% of net assets.

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

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

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Common Stocks (a)	$ 151,577,733	$ —	$ —	$ 151,577,733
Short-Term Investments (a)	1,335,173	—	—	1,335,173
Total	**$ 152,912,906**	**$ —**	**$ —**	**$ 152,912,906**

(a) See Investment Portfolio for additional detailed categorizations.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $130,981,233) — including $752,024 of securities loaned	$ 151,577,733
Investment in DWS Government & Agency Securities Portfolio (cost $763,000)*	763,000
Investment in DWS Central Cash Management Government Fund (cost $572,173)	572,173
Cash	18,543
Receivable for Fund shares sold	2,959
Dividends receivable	152,685
Interest receivable	60
Other assets	3,017
Total assets	153,090,170
Liabilities	
Payable upon return of securities loaned	763,000
Payable for Fund shares redeemed	158,352
Accrued management fee	59,285
Accrued Trustees' fees	2,145
Other accrued expenses and payables	94,789
Total liabilities	1,077,571
Net assets, at value	**$ 152,012,599**
Net Assets Consist of	
Distributable earnings (loss)	24,696,553
Paid-in capital	127,316,046
Net assets, at value	**$ 152,012,599**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($148,770,985 ÷ 9,269,906 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 16.05**
Class B	
Net Asset Value, offering and redemption price per share ($3,241,614 ÷ 201,242 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 16.11**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends	$ 3,388,418
Income distributions — DWS Central Cash Management Government Fund	255
Securities lending income, net of borrower rebates	1,268
Total income	3,389,941
Expenses:	
Management fee	873,762
Administration fee	141,258
Record keeping fee (Class B)	1,994
Distribution service fee (Class B)	8,229
Custodian fee	4,004
Professional fees	75,842
Reports to shareholders	28,782
Trustees' fees and expenses	5,961
Other	6,428
Total expenses before expense reductions	1,146,260
Expense reductions	(108,496)
Total expenses after expense reductions	1,037,764
Net investment income	**2,352,177**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from investments	18,442,647
Change in net unrealized appreciation (depreciation) on investments	13,221,244
Net gain (loss)	**31,663,891**
Net increase (decrease) in net assets resulting from operations	**$34,016,068**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 2,352,177	$ 2,848,860
Net realized gain (loss)	18,442,647	(16,282,685)
Change in net unrealized appreciation (depreciation)	13,221,244	(5,587,930)
Net increase (decrease) in net assets resulting from operations	34,016,068	(19,021,755)
Distributions to shareholders:		
Class A	(2,764,720)	(9,467,191)
Class B	(57,047)	(221,204)
Total distributions	(2,821,767)	(9,688,395)
Fund share transactions:		
Class A		
Proceeds from shares sold	2,809,896	6,978,119
Reinvestment of distributions	2,764,720	9,467,191
Payments for shares redeemed	(16,851,304)	(11,817,632)
Net increase (decrease) in net assets from Class A share transactions	(11,276,688)	4,627,678
Class B		
Proceeds from shares sold	275,751	784,815
Reinvestment of distributions	57,047	221,204
Payments for shares redeemed	(927,960)	(873,871)
Net increase (decrease) in net assets from Class B share transactions	(595,162)	132,148
Increase (decrease) in net assets	19,322,451	(23,950,324)
Net assets at beginning of period	132,690,148	156,640,472
Net assets at end of period	**$152,012,599**	**$132,690,148**
Other Information		
Class A		
Shares outstanding at beginning of period	10,025,875	9,489,452
Shares sold	195,672	567,975
Shares issued to shareholders in reinvestment of distributions	194,562	895,666
Shares redeemed	(1,146,203)	(927,218)
Net increase (decrease) in Class A shares	(755,969)	536,423
Shares outstanding at end of period	**9,269,906**	**10,025,875**
Class B		
Shares outstanding at beginning of period	240,926	226,957
Shares sold	19,004	65,344
Shares issued to shareholders in reinvestment of distributions	3,989	20,809
Shares redeemed	(62,677)	(72,184)
Net increase (decrease) in Class B shares	(39,684)	13,969
Shares outstanding at end of period	**201,242**	**240,926**

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

Financial Highlights

DWS CROCI® U.S. VIP — Class A

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$12.92**	**$16.12**	**$13.46**	**$16.64**	**$13.75**
Income (loss) from investment operations:					
Net investment income[a]	.24	.28	.31	.29	.24
Net realized and unrealized gain (loss)	3.17	(2.47)	3.92	(1.89)	2.88
Total from investment operations	3.41	(2.19)	4.23	(1.60)	3.12
Less distributions from:					
Net investment income	(.28)	(.31)	(.30)	(.41)	(.23)
Net realized gains	—	(.70)	(1.27)	(1.17)	—
Total distributions	(.28)	(1.01)	(1.57)	(1.58)	(.23)
Net asset value, end of period	**$16.05**	**$12.92**	**$16.12**	**$13.46**	**$16.64**
Total Return (%)[b]	26.69	(12.16)	32.95	(10.50)	22.88[c]
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	149	130	153	125	153
Ratio of expenses before expense reductions (%)[d]	.78	.84	.84	.84	.82
Ratio of expenses after expense reductions (%)[d]	.71	.69	.70	.72	.72
Ratio of net investment income (%)	1.62	2.28	2.13	1.89	1.59
Portfolio turnover rate (%)	99	122	111	100	97

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] The Fund's total return includes a reimbursement by the Adviser for commission costs incurred in connection with purchases and sales of portfolio assets due to the change in investment strategy, which otherwise would have reduced total return by 0.03%.

[d] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

DWS CROCI® U.S. VIP — Class B

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$12.97**	**$16.17**	**$13.50**	**$16.67**	**$13.78**
Income (loss) from investment operations:					
Net investment income[a]	.19	.24	.27	.24	.20
Net realized and unrealized gain (loss)	3.19	(2.47)	3.92	(1.88)	2.87
Total from investment operations	3.38	(2.23)	4.19	(1.64)	3.07
Less distributions from:					
Net investment income	(.24)	(.27)	(.25)	(.36)	(.18)
Net realized gains	—	(.70)	(1.27)	(1.17)	—
Total distributions	(.24)	(.97)	(1.52)	(1.53)	(.18)
Net asset value, end of period	**$16.11**	**$12.97**	**$16.17**	**$13.50**	**$16.67**
Total Return (%)[b]	26.27	(12.41)	32.49	(10.71)	22.45[c]
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	3	3	4	3	4
Ratio of expenses before expense reductions (%)[d]	1.10	1.16	1.16	1.16	1.15
Ratio of expenses after expense reductions (%)[d]	1.02	1.00	1.02	1.04	1.03
Ratio of net investment income (%)	1.33	1.96	1.82	1.55	1.31
Portfolio turnover rate (%)	99	122	111	100	97

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] The Fund's total return includes a reimbursement by the Adviser for commission costs incurred in connection with purchases and sales of portfolio assets due to the change in investment strategy, which otherwise would have reduced total return by 0.03%.

[d] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

Notes to Financial Statements

A. Organization and Significant Accounting Policies

DWS CROCI® U.S. VIP (the "Fund") is a diversified series of Deutsche DWS Variable Series II (the "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust.

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements were overnight and continuous.

Federal Income Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to certain securities sold at a loss. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 2,815,712
Undistributed long-term capital gains	$ 1,418,022
Net unrealized appreciation (depreciation) on investments	$ 20,462,819

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $132,450,087. The net unrealized appreciation for all investments based on tax cost was $20,462,819. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $22,153,749 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $1,690,930.

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

	Years Ended December 31,	
	2021	**2020**
Distributions from ordinary income*	$ 2,821,767	$ 9,688,395

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $142,481,030 and $153,084,438, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million	.600%
Next $750 million	.575%
Next $1.5 billion	.550%
Next $2.5 billion	.525%
Next $2.5 billion	.500%
Next $2.5 billion	.475%
Next $2.5 billion	.450%
Over $12.5 billion	.425%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.60% of the Fund's average daily net assets.

For the period from January 1, 2021 through April 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.69%
Class B	1.00%

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.75%
Class B	1.06%

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.65%
Class B	.97%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 105,833
Class B	2,663
	$ 108,496

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $141,258, of which $12,244 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the

shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 497	$ 83
Class B	300	50
	$ 797	**$ 133**

Distribution Service Agreement. Under the Fund's Class B 12b-1 plan, DWS Distributors, Inc. ("DDI") received a fee ("Distribution Service Fee") of up to 0.25% of average daily net assets of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $8,229, of which $673 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,244, of which $362 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $95.

D. Ownership of the Fund

At December 31, 2021, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 58% and 37%, respectively. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 54% and 19%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS CROCI® U.S. VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS CROCI® U.S. VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,099.30	$ 1,097.40
Expenses Paid per $1,000*	$ 3.70	$ 5.39

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,021.68	$ 1,020.06
Expenses Paid per $1,000*	$ 3.57	$ 5.19

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series II — DWS CROCI® U.S. VIP	.70%	1.02%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

For corporate shareholders, 100% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $1,560,000 as capital gain dividends for its year ended December 31, 2021.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the “Board” or “Trustees”) approved the renewal of DWS CROCI® U.S. VIP’s (the “Fund”) investment management agreement (the “Agreement”) with DWS Investment Management Americas, Inc. (“DIMA”) in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund’s Trustees were independent of DIMA and its affiliates (the “Independent Trustees”).

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund’s performance, fees and expenses, and profitability from a fee consultant retained by the Fund’s Independent Trustees (the “Fee Consultant”).

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund’s contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund’s Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA (“DWS Group”). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group’s shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund’s performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund’s Board considers these and many other factors, including the quality and integrity of DIMA’s personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA’s approach to addressing such risks. The Board reviewed the Fund’s performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct (“Morningstar”), an independent fund data service. The Board also noted that it has put into place a process of identifying “Funds in Review” (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA’s plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund’s performance (Class A shares) was in the 4th quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has underperformed its benchmark in the one-, three- and five-year periods ended December 31, 2020. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to improve performance. The Board noted changes in the Fund's management process that were made effective May 25, 2021. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were higher than the median (3rd quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that, effective October 1, 2020, in connection with the 2020 contract renewal process, DIMA agreed to reduce the Fund's contractual management fee at each breakpoint by 0.05%. The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (2nd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board noted that DIMA pays a licensing fee to an affiliate related to the Fund's use of the CROCI® strategy. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

Notes

VS2CUS-2 (R-025833-11 2/22)

December 31, 2021

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 ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

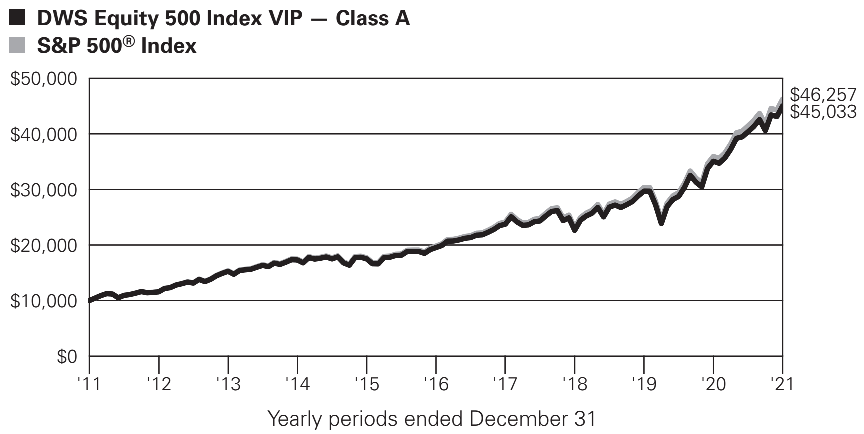
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance figures for Classes A, B and B2 differ because each class maintains a distinct expense structure. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.33%, 0.71% and 0.72% for Class A, Class B and Class B2 shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



S&P 500® Index is an unmanaged, capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

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

Comparative Results

DWS Equity 500 Index VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$12,840	$19,892	$23,051	$45,033
	Average annual total return	28.40%	25.77%	18.18%	16.24%
S&P 500 Index	Growth of $10,000	$12,871	$20,037	$23,341	$46,257
	Average annual total return	28.71%	26.07%	18.47%	16.55%

DWS Equity 500 Index VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$12,791	$19,660	$22,626	$43,670
	Average annual total return	27.91%	25.27%	17.74%	15.88%
S&P 500 Index	Growth of $10,000	$12,871	$20,037	$23,341	$46,257
	Average annual total return	28.71%	26.07%	18.47%	16.55%

DWS Equity 500 Index VIP		1-Year	3-Year	5-Year	10-Year
Class B2	Growth of $10,000	$12,786	$19,649	$22,598	$43,344
	Average annual total return	27.86%	25.25%	17.71%	15.80%
S&P 500 Index	Growth of $10,000	$12,871	$20,037	$23,341	$46,257
	Average annual total return	28.71%	26.07%	18.47%	16.55%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

The Fund returned 28.40% in 2021 (Class A shares, unadjusted for contract charges). Since the Fund's investment strategy is to replicate the performance of the S&P 500® Index, its return is normally close to that of the index. The difference in performance is typically driven by transaction costs and Fund expenses. The Fund periodically invested in equity index futures to keep the portfolio's exposures in line with those of the index. This strategy had a neutral impact on performance.

U.S. equities performed well in 2021 thanks in part to the rollout of COVID-19 vaccines and the gradual re-opening of the economy that followed. Economic growth and corporate earnings came in well above expectations in the first half of the year as a result, propelling stocks higher. U.S. Federal Reserve policy was also supportive for most of the period, with near-zero interest rates and the continuation of the stimulative quantitative easing program. A series of fiscal stimulus packages enacted by the U.S. government provided additional momentum for both economic growth and investor sentiment. In combination, these developments helped investors look beyond risk factors such as rising inflation, worries about China's economy, and the emergence of new variants of COVID-19.

While the index finished the year just short of the all-time closing high it had established on December 29, it registered 70 record highs in 2021 — the largest number since 1995.

Notably, 2021 was the seventeenth year of the past 19 in which the S&P 500 Index posted a gain, as well as the twelfth of the last 13. It also represented the third year in a row, and fifth of the last six, in which the index produced a double-digit return. As of December 31, 2021, its 10-year average annualized total return stood at a robust 16.55%. Naturally, past performance is no guarantee of future results.

The dominance of a few mega-cap growth companies was one of the key investment themes of 2021. In combination, just seven stocks — Apple, Inc., Microsoft Corp., Alphabet, Inc. (formerly Google), Meta Platforms, Inc. (formerly Facebook), Tesla, Inc., and NVIDIA Corp. — accounted for more than one-third of the return for the S&P 500 Index. These companies have a combined index weighting of more than 20%, so their sizable gains were an important engine of performance. This group of stocks benefited from investors' continued preference for companies seen as having the most reliable growth characteristics.

Stocks with above-average sensitivity to the reopening of the economy generally produced the best results in 2021. The energy sector, which gained nearly 50% as the revival in economic growth boosted demand for crude oil, was a prime beneficiary of this trend. The strong showing for energy stands in sharp contrast to 2020, when the sector suffered a loss in excess of 30%. Real estate was the second-best performing sector in 2021. The rally reflected healthy property market fundamentals and investors' ongoing demand for the above-average income provided by real estate investment trusts.

Information technology also outpaced the broader market. While Apple and Microsoft were the most important driver of returns, the sector gained an added boost from the sizable outperformance for the semiconductor industry. The improvement in global demand led to a shortage of chips, providing companies in the industry with an unprecedented degree of pricing power. Financials were another key beneficiary of the reopening. The sector was helped by a wide range of factors, including improving growth, rising real estate prices, and favorable interest-rate trends. The gains were broad-based across the category, with banks, insurers, asset managers, and credit-card companies all contributing to the positive performance.

The health care, materials, communication services, and industrials sectors all posted robust, 20%-plus gains, but they finished somewhat behind the index. Defensive investments also underperformed on a relative basis as investors clambered for opportunities in higher-risk stocks and those with the highest degree of economic sensitivity. These trends worked to the disadvantage of the consumer staples and utilities sectors. Although these were the weakest performing areas for the year, they still generated returns north of 17% - a testament to the highly positive nature of market conditions in 2021.

Brent Reeder
Senior Vice President, Northern Trust Investments, Inc., Subadvisor to the Fund
Portfolio Manager

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

The **S&P 500 Index** is an unmanaged, capitalization weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

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

The **consumer discretionary** sector represents industries that produce goods and services that are not necessities in everyday life.

Consumer staples are the industries that manufacture and sell products such as food and beverages, prescription drugs, and household products.

Futures contracts are contractual agreements to buy or sell a particular commodity or financial instrument at a predetermined price in the future.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	100%	99%
Cash Equivalents	0%	1%
Government & Agency Obligations	0%	0%
	100%	100%

Sector Diversification (As a % of Common Stocks)	**12/31/21**	**12/31/20**
Information Technology	29%	28%
Health Care	13%	13%
Consumer Discretionary	12%	13%
Financials	11%	10%
Communication Services	10%	11%
Industrials	8%	8%
Consumer Staples	6%	7%
Real Estate	3%	2%
Energy	3%	2%
Materials	3%	3%
Utilities	2%	3%
	100%	100%

Ten Largest Equity Holdings at December 31, 2021 (30.4% of Net Assets)

1	**Apple, Inc.** Designs, manufactures and markets personal computers and related computing and mobile-communication devices	**6.8%**
2	**Microsoft Corp.** Develops, manufactures, licenses, sells and supports software products	**6.2%**
3	**Alphabet, Inc.** Holding company with subsidiaries that provide Web-based search, maps, hardware products and various software applications	**4.1%**
4	**Amazon.com, Inc.** Online retailer offering a wide range of products	**3.6%**
5	**Tesla, Inc.** Designs,manufactures and sells high-perfomance electric vehicles and electric vehicle powertrain components	**2.1%**
6	**Meta Platforms, Inc.** Operator of social networking Web site	**2.0%**
7	**NVIDIA Corp.** Designs, develops and markets three dimensional (3D) graphic processors	**1.8%**
8	**Berkshire Hathaway, Inc.** Holding company of insurance business and a variety of other businesses	**1.4%**
9	**UnitedHealth Group, Inc.** Operator of organized health systems	**1.2%**
10	**JPMorgan Chase & Co.** Provider of global financial services	**1.2%**

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 99.6%		
Communication Services 10.1%		
Diversified Telecommunication Services 1.0%		
AT&T, Inc.	139,859	3,440,531
Lumen Technologies, Inc.	18,003	225,938
Verizon Communications, Inc.	81,062	4,211,981
		7,878,450
Entertainment 1.6%		
Activision Blizzard, Inc.	15,384	1,023,497
Electronic Arts, Inc.	5,532	729,671
Live Nation Entertainment, Inc.* (a)	2,601	311,314
Netflix, Inc.*	8,681	5,229,781
Take-Two Interactive Software, Inc.*	2,222	394,894
Walt Disney Co.*	35,592	5,512,845
		13,202,002
Interactive Media & Services 6.3%		
Alphabet, Inc. "A"*	5,891	17,066,463
Alphabet, Inc. "C"*	5,479	15,853,980
Match Group, Inc.*	5,602	740,864
Meta Platforms, Inc. "A"*	46,348	15,589,150
Twitter, Inc.*	15,788	682,357
		49,932,814
Media 1.0%		
Charter Communications, Inc. "A"* (a)	2,421	1,578,419
Comcast Corp. "A"	89,176	4,488,228
Discovery, Inc. "A"* (a)	3,535	83,214
Discovery, Inc. "C"*	5,921	135,591
DISH Network Corp. "A"*	5,011	162,557
Fox Corp. "A"	6,405	236,344
Fox Corp. "B"	2,731	93,591
Interpublic Group of Companies, Inc.	7,904	296,005
News Corp. "A"	7,863	175,424
News Corp. "B"	2,595	58,388
Omnicom Group, Inc.	4,090	299,674
ViacomCBS, Inc. "B"	11,965	361,104
		7,968,539
Wireless Telecommunication Services 0.2%		
T-Mobile U.S., Inc.*	11,465	**1,329,711**
Consumer Discretionary 12.5%		
Auto Components 0.1%		
Aptiv PLC*	5,255	866,812
BorgWarner, Inc.	4,811	216,832
		1,083,644
Automobiles 2.5%		
Ford Motor Co.	76,878	1,596,756
General Motors Co.*	28,406	1,665,444
Tesla, Inc.*	15,938	16,842,959
		20,105,159
Distributors 0.2%		
Genuine Parts Co.	2,815	394,663
LKQ Corp.	5,254	315,398
Pool Corp.	779	440,914
		1,150,975
Hotels, Restaurants & Leisure 1.9%		
Booking Holdings, Inc.*	804	1,928,981
Caesars Entertainment, Inc.*	4,176	390,581
Carnival Corp.* (a)	15,954	320,994
Chipotle Mexican Grill, Inc.*	547	956,293
Darden Restaurants, Inc.	2,507	377,654
Domino's Pizza, Inc.	704	397,288
Hilton Worldwide Holdings, Inc.*	5,464	852,329
Las Vegas Sands Corp.*	6,651	250,344
Marriott International, Inc. "A"*	5,337	881,886
McDonald's Corp.	14,619	3,918,915
MGM Resorts International	7,763	348,403
Norwegian Cruise Line Holdings Ltd.* (a)	7,394	153,352
Penn National Gaming, Inc.*	3,287	170,431
Royal Caribbean Cruises Ltd.*	4,394	337,899
Starbucks Corp.	23,183	2,711,716
Wynn Resorts Ltd.*	2,070	176,033
Yum! Brands, Inc.	5,766	800,667
		14,973,766
Household Durables 0.4%		
D.R. Horton, Inc.	6,425	696,791
Garmin Ltd.	3,030	412,595
Lennar Corp. "A"	5,363	622,966
Mohawk Industries, Inc.*	1,082	197,119
Newell Brands, Inc.	7,377	161,114
NVR, Inc.*	63	372,259
PulteGroup, Inc.	4,987	285,057
Whirlpool Corp.	1,178	276,429
		3,024,330
Internet & Direct Marketing Retail 3.8%		
Amazon.com, Inc.*	8,545	28,491,935
eBay, Inc.	12,234	813,561
Etsy, Inc.*	2,474	541,658
Expedia Group, Inc.*	2,845	514,148
		30,361,302
Leisure Products 0.0%		
Hasbro, Inc.	2,495	**253,941**
Multiline Retail 0.5%		
Dollar General Corp.	4,546	1,072,083

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

	Shares	Value ($)
Dollar Tree, Inc.*	4,414	620,255
Target Corp.	9,566	2,213,955
		3,906,293
Specialty Retail 2.4%		
Advance Auto Parts, Inc.	1,212	290,735
AutoZone, Inc.*	412	863,713
Bath & Body Works, Inc.	5,116	357,046
Best Buy Co., Inc.	4,401	447,142
CarMax, Inc.*	3,156	411,006
Home Depot, Inc.	20,684	8,584,067
Lowe's Companies, Inc.	13,571	3,507,832
O'Reilly Automotive, Inc.*	1,319	931,517
Ross Stores, Inc.	6,901	788,646
The Gap, Inc.	4,339	76,583
TJX Companies, Inc.	23,462	1,781,235
Tractor Supply Co.	2,228	531,601
Ulta Beauty, Inc.*	1,063	438,317
		19,009,440
Textiles, Apparel & Luxury Goods 0.7%		
NIKE, Inc. "B"	25,076	4,179,417
PVH Corp.	1,413	150,696
Ralph Lauren Corp.	946	112,442
Tapestry, Inc.	5,543	225,046
Under Armour, Inc. "A"*	3,505	74,271
Under Armour, Inc. "C"*	4,534	81,793
VF Corp. (a)	6,434	471,098
		5,294,763
Consumer Staples 5.9%		
Beverages 1.4%		
Brown-Forman Corp. "B"	3,637	264,992
Coca-Cola Co.	76,142	4,508,368
Constellation Brands, Inc. "A"	3,189	800,343
Molson Coors Beverage Co. "B" (a)	3,730	172,886
Monster Beverage Corp.*	7,406	711,272
PepsiCo, Inc.	27,109	4,709,104
		11,166,965
Food & Staples Retailing 1.4%		
Costco Wholesale Corp.	8,650	4,910,605
Kroger Co.	13,292	601,596
Sysco Corp.	10,098	793,198
Walgreens Boots Alliance, Inc.	14,175	739,368
Walmart, Inc.	27,857	4,030,629
		11,075,396
Food Products 0.9%		
Archer-Daniels-Midland Co.	10,973	741,665
Campbell Soup Co.	3,994	173,579
Conagra Brands, Inc.	9,211	314,556
General Mills, Inc.	11,962	806,000
Hormel Foods Corp.	5,599	273,287
J M Smucker Co.	2,084	283,049
Kellogg Co.	5,065	326,287
Kraft Heinz Co.	14,053	504,503
Lamb Weston Holdings, Inc.	2,909	184,372
McCormick & Co., Inc.	4,817	465,370
Mondelez International, Inc. "A"	27,304	1,810,528
The Hershey Co.	2,836	548,681
Tyson Foods, Inc. "A"	5,704	497,161
		6,929,038
Household Products 1.4%		
Church & Dwight Co., Inc.	4,746	486,465
Clorox Co.	2,438	425,090
Colgate-Palmolive Co.	16,479	1,406,318
Kimberly-Clark Corp.	6,645	949,703
Procter & Gamble Co.	47,431	7,758,763
		11,026,339
Personal Products 0.2%		
Estee Lauder Companies, Inc. "A"	4,541	**1,681,078**
Tobacco 0.6%		
Altria Group, Inc.	36,094	1,710,495
Philip Morris International, Inc.	30,523	2,899,685
		4,610,180
Energy 2.7%		
Energy Equipment & Services 0.2%		
Baker Hughes Co.	17,006	409,164
Halliburton Co.	17,768	406,354
Schlumberger NV	27,544	824,943
		1,640,461
Oil, Gas & Consumable Fuels 2.5%		
APA Corp.	6,847	184,116
Chevron Corp.	37,739	4,428,672
ConocoPhillips	25,736	1,857,624
Coterra Energy, Inc.	16,079	305,501
Devon Energy Corp.	12,453	548,555
Diamondback Energy, Inc.	3,379	364,425
EOG Resources, Inc.	11,471	1,018,969
Exxon Mobil Corp.	82,919	5,073,814
Hess Corp.	5,498	407,017
Kinder Morgan, Inc.	38,166	605,313
Marathon Oil Corp.	14,978	245,939
Marathon Petroleum Corp.	12,020	769,160
Occidental Petroleum Corp.	17,578	509,586
ONEOK, Inc.	8,619	506,452
Phillips 66	8,613	624,098
Pioneer Natural Resources Co.	4,479	814,640
Valero Energy Corp.	7,928	595,472
Williams Companies, Inc.	23,655	615,976
		19,475,329
Financials 10.6%		
Banks 3.9%		
Bank of America Corp.	141,256	6,284,479

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

	Shares	Value ($)
Citigroup, Inc.	38,874	2,347,601
Citizens Financial Group, Inc.	8,200	387,450
Comerica, Inc.	2,546	221,502
Fifth Third Bancorp.	13,369	582,220
First Republic Bank	3,542	731,458
Huntington Bancshares, Inc.	28,596	440,950
JPMorgan Chase & Co.	57,951	9,176,541
KeyCorp.	18,110	418,884
M&T Bank Corp.	2,564	393,779
People's United Financial, Inc.	8,345	148,708
PNC Financial Services Group, Inc.	8,246	1,653,488
Regions Financial Corp.	18,398	401,076
Signature Bank	1,192	385,576
SVB Financial Group*	1,157	784,724
Truist Financial Corp.	26,090	1,527,570
U.S. Bancorp.	26,323	1,478,563
Wells Fargo & Co.	78,165	3,750,357
Zions Bancorp. NA	2,972	187,712
		31,302,638
Capital Markets 3.0%		
Ameriprise Financial, Inc.	2,211	666,970
Bank of New York Mellon Corp.	14,837	861,733
BlackRock, Inc.	2,806	2,569,061
Cboe Global Markets, Inc.	2,033	265,103
Charles Schwab Corp.	29,456	2,477,250
CME Group, Inc.	7,044	1,609,272
FactSet Research Systems, Inc.	735	357,217
Franklin Resources, Inc.	5,380	180,176
Intercontinental Exchange, Inc.	11,040	1,509,941
Invesco Ltd.	6,730	154,925
MarketAxess Holdings, Inc.	761	312,977
Moody's Corp.	3,181	1,242,435
Morgan Stanley	28,130	2,761,241
MSCI, Inc.	1,607	984,593
Nasdaq, Inc.	2,301	483,233
Northern Trust Corp.	4,099	490,281
Raymond James Financial, Inc.	3,643	365,757
S&P Global, Inc. (a)	4,727	2,230,813
State Street Corp.	7,237	673,041
T. Rowe Price Group, Inc.	4,387	862,660
The Goldman Sachs Group, Inc.	6,659	2,547,401
		23,606,080
Consumer Finance 0.5%		
American Express Co.	12,276	2,008,353
Capital One Financial Corp.	8,330	1,208,600
Discover Financial Services	5,744	663,777
Synchrony Financial	10,652	494,146
		4,374,876

	Shares	Value ($)
Diversified Financial Services 1.4%		
Berkshire Hathaway, Inc. "B"*	35,891	**10,731,409**
Insurance 1.8%		
Aflac, Inc.	11,868	692,972
Allstate Corp.	5,611	660,134
American International Group, Inc.	16,158	918,744
Aon PLC "A"	4,310	1,295,414
Arthur J. Gallagher & Co.	4,042	685,806
Assurant, Inc.	1,124	175,187
Brown & Brown, Inc.	4,524	317,947
Chubb Ltd.	8,427	1,629,023
Cincinnati Financial Corp.	2,999	341,676
Everest Re Group Ltd.	748	204,892
Globe Life, Inc.	1,763	165,228
Hartford Financial Services Group, Inc.	6,648	458,978
Lincoln National Corp.	3,273	223,415
Loews Corp.	4,020	232,195
Marsh & McLennan Companies, Inc.	9,906	1,721,861
MetLife, Inc.	14,024	876,360
Principal Financial Group, Inc.	4,918	355,719
Progressive Corp.	11,442	1,174,521
Prudential Financial, Inc.	7,386	799,461
Travelers Companies, Inc.	4,865	761,032
W.R. Berkley Corp.	2,760	227,396
Willis Towers Watson PLC	2,434	578,051
		14,496,012

Health Care 13.2%

	Shares	Value ($)
Biotechnology 1.8%		
AbbVie, Inc.	34,670	4,694,318
Amgen, Inc.	11,042	2,484,119
Biogen, Inc.*	2,867	687,851
Gilead Sciences, Inc.	24,485	1,777,856
Incyte Corp.*	3,724	273,342
Moderna, Inc.*	6,886	1,748,906
Regeneron Pharmaceuticals, Inc.*	2,071	1,307,878
Vertex Pharmaceuticals, Inc.*	5,006	1,099,317
		14,073,587
Health Care Equipment & Supplies 3.5%		
Abbott Laboratories	34,677	4,880,441
ABIOMED, Inc.*	902	323,971
Align Technology, Inc.*	1,429	939,110
Baxter International, Inc.	9,724	834,708
Becton, Dickinson & Co.	5,656	1,422,371
Boston Scientific Corp.*	28,095	1,193,476
Danaher Corp.	12,479	4,105,716
DENTSPLY SIRONA, Inc.	4,353	242,854
DexCom, Inc.*	1,888	1,013,762
Edwards Lifesciences Corp.*	12,291	1,592,299
Hologic, Inc.*	5,049	386,551
IDEXX Laboratories, Inc.*	1,658	1,091,727

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

	Shares	Value ($)
Intuitive Surgical, Inc.*	6,997	2,514,022
Medtronic PLC	26,314	2,722,183
ResMed, Inc.	2,878	749,662
STERIS PLC	1,957	476,353
Stryker Corp.	6,554	1,752,671
Teleflex, Inc.	933	306,472
The Cooper Companies, Inc.	947	396,736
West Pharmaceutical Services, Inc.	1,440	675,374
Zimmer Biomet Holdings, Inc.	4,044	513,750
		28,134,209
Health Care Providers & Services 2.7%		
AmerisourceBergen Corp.	2,949	391,893
Anthem, Inc.	4,745	2,199,497
Cardinal Health, Inc.	5,474	281,856
Centene Corp.*	11,512	948,589
Cigna Corp.	6,472	1,486,165
CVS Health Corp.	25,895	2,671,328
DaVita, Inc.*	1,289	146,637
HCA Healthcare, Inc.	4,684	1,203,413
Henry Schein, Inc.*	2,738	212,277
Humana, Inc.	2,517	1,167,536
Laboratory Corp. of America Holdings*	1,873	588,515
McKesson Corp.	2,981	740,987
Quest Diagnostics, Inc.	2,384	412,456
UnitedHealth Group, Inc.	18,463	9,271,011
Universal Health Services, Inc. "B"	1,388	179,968
		21,902,128
Health Care Technology 0.1%		
Cerner Corp.	5,711	**530,381**
Life Sciences Tools & Services 1.4%		
Agilent Technologies, Inc.	5,885	939,540
Bio-Rad Laboratories, Inc. "A"*	413	312,050
Bio-Techne Corp.	770	398,352
Charles River Laboratories International, Inc.*	969	365,100
Illumina, Inc.*	3,068	1,167,190
IQVIA Holdings, Inc.*	3,727	1,051,536
Mettler-Toledo International, Inc.*	446	756,956
PerkinElmer, Inc.	2,505	503,655
Thermo Fisher Scientific, Inc.	7,725	5,154,429
Waters Corp.*	1,203	448,238
		11,097,046
Pharmaceuticals 3.7%		
Bristol-Myers Squibb Co.	43,509	2,712,786
Catalent, Inc.*	3,312	424,035
Eli Lilly & Co.	15,578	4,302,955
Johnson & Johnson	51,543	8,817,461
Merck & Co., Inc.	49,445	3,789,465
Organon & Co.	4,972	151,398
Pfizer, Inc.	109,987	6,494,732
Viatris, Inc.	24,193	327,331
Zoetis, Inc.	9,295	2,268,259
		29,288,422

Industrials 7.7%

	Shares	Value ($)
Aerospace & Defense 1.4%		
Boeing Co.*	10,859	2,186,134
General Dynamics Corp.	4,538	946,037
Howmet Aerospace, Inc.	7,738	246,300
Huntington Ingalls Industries, Inc.	782	146,031
L3Harris Technologies, Inc.	3,812	812,871
Lockheed Martin Corp.	4,827	1,715,564
Northrop Grumman Corp.	2,914	1,127,922
Raytheon Technologies Corp.	29,234	2,515,878
Textron, Inc.	4,257	328,640
TransDigm Group, Inc.*	1,015	645,824
		10,671,201
Air Freight & Logistics 0.6%		
C.H. Robinson Worldwide, Inc.	2,530	272,304
Expeditors International of Washington, Inc.	3,279	440,337
FedEx Corp.	4,760	1,231,126
United Parcel Service, Inc. "B"	14,305	3,066,134
		5,009,901
Airlines 0.2%		
Alaska Air Group, Inc.*	2,403	125,196
American Airlines Group, Inc.* (a)	12,696	228,020
Delta Air Lines, Inc.*	12,530	489,672
Southwest Airlines Co.*	11,496	492,489
United Airlines Holdings, Inc.*	6,474	283,432
		1,618,809
Building Products 0.5%		
A.O. Smith Corp.	2,645	227,073
Allegion PLC	1,811	239,849
Carrier Global Corp.	16,919	917,687
Fortune Brands Home & Security, Inc.	2,617	279,757
Johnson Controls International PLC	13,951	1,134,356
Masco Corp.	4,853	340,778
Trane Technologies PLC	4,645	938,429
		4,077,929
Commercial Services & Supplies 0.4%		
Cintas Corp.	1,737	769,786
Copart, Inc.*	4,194	635,894
Republic Services, Inc.	4,095	571,048
Rollins, Inc.	4,543	155,416
Waste Management, Inc.	7,493	1,250,582
		3,382,726
Construction & Engineering 0.0%		
Quanta Services, Inc.	2,792	**320,131**

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

	Shares	Value ($)
Electrical Equipment 0.6%		
AMETEK, Inc.	4,523	665,062
Eaton Corp. PLC	7,799	1,347,823
Emerson Electric Co.	11,679	1,085,797
Generac Holdings, Inc.*	1,226	431,454
Rockwell Automation, Inc.	2,293	799,913
		4,330,049
Industrial Conglomerates 1.0%		
3M Co.	11,251	1,998,515
General Electric Co.	21,512	2,032,239
Honeywell International, Inc.	13,451	2,804,668
Roper Technologies, Inc.	2,082	1,024,052
		7,859,474
Machinery 1.5%		
Caterpillar, Inc.	10,572	2,185,655
Cummins, Inc.	2,815	614,064
Deere & Co.	5,521	1,893,096
Dover Corp.	2,784	505,574
Fortive Corp.	7,066	539,065
IDEX Corp.	1,509	356,607
Illinois Tool Works, Inc.	5,612	1,385,042
Ingersoll Rand, Inc.	8,082	500,033
Otis Worldwide Corp.	8,259	719,111
PACCAR, Inc.	6,848	604,405
Parker-Hannifin Corp.	2,537	807,071
Pentair PLC	3,302	241,145
Snap-on, Inc.	1,021	219,903
Stanley Black & Decker, Inc.	3,231	609,431
Westinghouse Air Brake Technologies Corp.	3,724	343,018
Xylem, Inc.	3,483	417,681
		11,940,901
Professional Services 0.4%		
Equifax, Inc.	2,379	696,547
IHS Markit Ltd.	7,851	1,043,555
Jacobs Engineering Group, Inc.	2,590	360,606
Leidos Holdings, Inc.	2,700	240,030
Nielsen Holdings PLC	7,398	151,733
Robert Half International, Inc.	2,135	238,095
Verisk Analytics, Inc.	3,157	722,101
		3,452,667
Road & Rail 0.9%		
CSX Corp.	43,448	1,633,645
J.B. Hunt Transport Services, Inc.	1,663	339,917
Norfolk Southern Corp.	4,760	1,417,100
Old Dominion Freight Line, Inc.	1,822	652,968
Union Pacific Corp.	12,587	3,171,043
		7,214,673
Trading Companies & Distributors 0.2%		
Fastenal Co.	11,352	727,209
United Rentals, Inc.*	1,424	473,181
W.W. Grainger, Inc.	846	438,431
		1,638,821

Information Technology 29.0%

	Shares	Value ($)
Communications Equipment 0.9%		
Arista Networks, Inc.*	4,428	636,525
Cisco Systems, Inc.	82,524	5,229,546
F5, Inc.*	1,202	294,141
Juniper Networks, Inc.	6,233	222,581
Motorola Solutions, Inc.	3,292	894,436
		7,277,229
Electronic Equipment, Instruments & Components 0.7%		
Amphenol Corp. "A"	11,779	1,030,191
CDW Corp.	2,686	550,039
Corning, Inc.	14,883	554,094
IPG Photonics Corp.*	704	121,187
Keysight Technologies, Inc.*	3,611	745,708
TE Connectivity Ltd.	6,385	1,030,156
Teledyne Technologies, Inc.*	926	404,560
Trimble, Inc.*	4,832	421,302
Zebra Technologies Corp. "A"*	1,055	627,936
		5,485,173
IT Services 4.5%		
Accenture PLC "A"	12,361	5,124,253
Akamai Technologies, Inc.*	3,149	368,559
Automatic Data Processing, Inc.	8,285	2,042,915
Broadridge Financial Solutions, Inc.	2,315	423,228
Cognizant Technology Solutions Corp. "A"	10,237	908,227
DXC Technology Co.*	5,114	164,620
EPAM Systems, Inc.*	1,110	741,980
Fidelity National Information Services, Inc.	11,859	1,294,410
Fiserv, Inc.* (a)	11,617	1,205,728
FleetCor Technologies, Inc.*	1,555	348,071
Gartner, Inc.*	1,602	535,581
Global Payments, Inc.	5,700	770,526
International Business Machines Corp.	17,550	2,345,733
Jack Henry & Associates, Inc.	1,494	249,483
Mastercard, Inc. "A"	16,976	6,099,816
Paychex, Inc.	6,316	862,134
PayPal Holdings, Inc.*	23,036	4,344,129
VeriSign, Inc.*	1,910	484,796
Visa, Inc. "A"	32,821	7,112,639
		35,426,828
Semiconductors & Semiconductor Equipment 6.3%		
Advanced Micro Devices, Inc.*	23,673	3,406,545
Analog Devices, Inc.	10,555	1,855,252

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

	Shares	Value ($)
Applied Materials, Inc.	17,720	2,788,419
Broadcom, Inc.	8,077	5,374,517
Enphase Energy, Inc.*	2,620	479,303
Intel Corp.	79,568	4,097,752
KLA Corp.	2,957	1,271,835
Lam Research Corp.	2,765	1,988,450
Microchip Technology, Inc.	10,794	939,726
Micron Technology, Inc.	21,827	2,033,185
Monolithic Power Systems, Inc.	834	411,437
NVIDIA Corp.	48,996	14,410,214
NXP Semiconductors NV	5,188	1,181,723
Qorvo, Inc.*	2,161	337,959
QUALCOMM, Inc.	21,960	4,015,825
Skyworks Solutions, Inc.	3,261	505,911
SolarEdge Technologies, Inc.*	1,029	288,706
Teradyne, Inc.	3,171	518,554
Texas Instruments, Inc.	18,111	3,413,380
Xilinx, Inc.	4,849	1,028,133
		50,346,826
Software 9.5%		
Adobe, Inc.*	9,311	5,279,896
ANSYS, Inc.*	1,718	689,124
Autodesk, Inc.*	4,295	1,207,711
Cadence Design Systems, Inc.*	5,412	1,008,526
Ceridian HCM Holding, Inc.*	2,668	278,699
Citrix Systems, Inc.	2,445	231,273
Fortinet, Inc.*	2,677	962,114
Intuit, Inc.	5,554	3,572,444
Microsoft Corp.	147,088	49,468,636
NortonLifeLock, Inc.	11,679	303,420
Oracle Corp.	31,558	2,752,173
Paycom Software, Inc.*	952	395,261
PTC, Inc.*	2,099	254,294
salesforce.com, Inc.*	19,162	4,869,639
ServiceNow, Inc.*	3,905	2,534,774
Synopsys, Inc.*	3,008	1,108,448
Tyler Technologies, Inc.*	809	435,202
		75,351,634
Technology Hardware, Storage & Peripherals 7.1%		
Apple, Inc.	305,402	54,230,233
Hewlett Packard Enterprise Co.	25,390	400,400
HP, Inc.	22,640	852,849
NetApp, Inc.	4,460	410,276
Seagate Technology Holdings PLC	4,032	455,535
Western Digital Corp.*	6,111	398,498
		56,747,791

Materials 2.6%

	Shares	Value ($)
Chemicals 1.8%		
Air Products & Chemicals, Inc.	4,325	1,315,925
Albemarle Corp.	2,319	542,113
Celanese Corp.	2,155	362,169
CF Industries Holdings, Inc.	4,247	300,603
Corteva, Inc.	14,175	670,194
Dow, Inc.	14,349	813,875
DuPont de Nemours, Inc.	10,100	815,878
Eastman Chemical Co.	2,658	321,379
Ecolab, Inc.	4,914	1,152,775
FMC Corp.	2,510	275,824
International Flavors & Fragrances, Inc.	5,031	757,920
Linde PLC	10,019	3,470,882
LyondellBasell Industries NV "A"	5,065	467,145
PPG Industries, Inc.	4,689	808,571
Sherwin-Williams Co.	4,728	1,665,013
The Mosaic Co.	7,332	288,074
		14,028,340
Construction Materials 0.1%		
Martin Marietta Materials, Inc.	1,209	532,589
Vulcan Materials Co.	2,606	540,953
		1,073,542
Containers & Packaging 0.3%		
Amcor PLC	30,655	368,166
Avery Dennison Corp.	1,653	357,990
Ball Corp.	6,406	616,706
International Paper Co.	7,614	357,706
Packaging Corp. of America	1,882	256,234
Sealed Air Corp.	2,783	187,769
Westrock Co.	5,361	237,814
		2,382,385
Metals & Mining 0.4%		
Freeport-McMoRan, Inc.	28,590	1,193,061
Newmont Corp.	15,539	963,729
Nucor Corp.	5,626	642,208
		2,798,998

Real Estate 2.8%

	Shares	Value ($)
Equity Real Estate Investment Trusts (REITs) 2.7%		
Alexandria Real Estate Equities, Inc.	2,763	616,038
American Tower Corp.	8,945	2,616,412
AvalonBay Communities, Inc.	2,732	690,076
Boston Properties, Inc.	2,818	324,577
Crown Castle International Corp.	8,465	1,766,984
Digital Realty Trust, Inc.	5,569	984,989
Duke Realty Corp.	7,565	496,567
Equinix, Inc.	1,773	1,499,674
Equity Residential	6,681	604,631
Essex Property Trust, Inc.	1,260	443,810
Extra Space Storage, Inc.	2,593	587,911
Federal Realty Investment Trust	1,331	181,442

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

	Shares	Value ($)
Healthpeak Properties, Inc.	10,469	377,826
Host Hotels & Resorts, Inc.*	14,068	244,643
Iron Mountain, Inc.	5,705	298,543
Kimco Realty Corp.	12,068	297,476
Mid-America Apartment Communities, Inc.	2,221	509,586
Prologis, Inc.	14,530	2,446,271
Public Storage	2,998	1,122,931
Realty Income Corp.	11,126	796,510
Regency Centers Corp.	2,941	221,604
SBA Communications Corp.	2,110	820,832
Simon Property Group, Inc.	6,484	1,035,949
UDR, Inc.	5,770	346,142
Ventas, Inc.	7,789	398,174
Vornado Realty Trust	3,281	137,343
Welltower, Inc.	8,436	723,556
Weyerhaeuser Co.	14,629	602,422
		21,192,919
Real Estate Management & Development 0.1%		
CBRE Group, Inc. "A"*	6,545	**710,198**
Utilities 2.5%		
Electric Utilities 1.6%		
Alliant Energy Corp.	4,834	297,146
American Electric Power Co., Inc.	9,886	879,557
Duke Energy Corp.	15,059	1,579,689
Edison International	7,371	503,071
Entergy Corp.	3,871	436,068
Evergy, Inc.	4,597	315,400
Eversource Energy	6,775	616,389
Exelon Corp.	19,291	1,114,248
FirstEnergy Corp.	10,740	446,677
NextEra Energy, Inc.	38,498	3,594,173
NRG Energy, Inc.	4,826	207,904
Pinnacle West Capital Corp.	2,254	159,110
PPL Corp.	14,598	438,816
Southern Co.	20,720	1,420,978
Xcel Energy, Inc.	10,610	718,297
		12,727,523
Gas Utilities 0.0%		
Atmos Energy Corp.	2,617	**274,183**
Independent Power & Renewable Electricity Producers 0.1%		
AES Corp.	13,330	**323,919**
Multi-Utilities 0.7%		
Ameren Corp.	4,979	443,181
CenterPoint Energy, Inc.	12,206	340,669
CMS Energy Corp.	5,555	361,353
Consolidated Edison, Inc.	6,899	588,623
Dominion Energy, Inc.	15,966	1,254,289
DTE Energy Co.	3,859	461,305
NiSource, Inc.	7,963	219,858
Public Service Enterprise Group, Inc.	9,797	653,754
Sempra Energy	6,196	819,607
WEC Energy Group, Inc.	6,221	603,872
		5,746,511
Water Utilities 0.1%		
American Water Works Co., Inc.	3,574	**674,986**
Total Common Stocks (Cost $259,290,867)		**790,702,970**

	Principal Amount ($)	Value ($)
Government & Agency Obligations 0.1%		
U.S. Treasury Obligations		
U.S. Treasury Bills, 0.038% (b), 1/27/2022 (c) (Cost $924,975)	925,000	**924,983**

	Shares	Value ($)
Securities Lending Collateral 0.9%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", (d) (e) 0.01% (Cost $6,745,286)	6,745,286	**6,745,286**
Cash Equivalents 0.3%		
DWS Central Cash Management Government Fund, 0.05% (d) (Cost $2,447,900)	2,447,900	**2,447,900**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $269,409,028)	100.9	**800,821,139**
Other Assets and Liabilities, Net	(0.9)	**(6,764,453)**
Net Assets	100.0	**794,056,686**

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

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 0.9%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e)								
19,765,158	—	13,019,872 (f)	—	—	4,848	—	6,745,286	6,745,286
Cash Equivalents 0.3%								
DWS Central Cash Management Government Fund, 0.05% (d)								
6,798,528	62,121,910	66,472,538	—	—	1,788	—	2,447,900	2,447,900
26,563,686	**62,121,910**	**79,492,410**	**—**	**—**	**6,636**	**—**	**9,193,186**	**9,193,186**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $6,583,286, which is 0.8% of net assets.

(b) Annualized yield at time of purchase; not a coupon rate.

(c) At December 31, 2021, this security has been pledged, in whole or in part, to cover initial margin requirements for open futures contracts.

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

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

(f) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

S&P: Standard & Poor's

At December 31, 2021, open futures contracts purchased were as follows:

Futures	Currency	Expiration Date	Contracts	Notional Amount ($)	Notional Value ($)	Unrealized Appreciation ($)
S&P 500 E-Mini Index	USD	3/18/2022	15	3,464,691	3,568,875	**104,184**

Currency Abbreviation(s)

USD United States Dollar

For information on the Fund's policy and additional disclosures regarding futures contracts, please refer to the Derivatives section of Note B in the accompanying Notes to Financial Statements.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks (a)	$ 790,702,970	$ —	$ —	$ 790,702,970
Government & Agency Obligations	—	924,983	—	924,983
Short-Term Investments (a)	9,193,186	—	—	9,193,186
Derivatives (b)				
Futures Contracts	104,184	—	—	104,184
Total	**$ 800,000,340**	**$924,983**	**$ —**	**$ 800,925,323**

(a) See Investment Portfolio for additional detailed categorizations.

(b) Derivatives include unrealized appreciation (depreciation) on open futures contracts.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $260,215,842) — including $6,583,286 of securities loaned	$ 791,627,953
Investment in DWS Government & Agency Securities Portfolio (cost $6,745,286)*	6,745,286
Investment in DWS Central Cash Management Government Fund (cost $2,447,900)	2,447,900
Cash	33,247
Receivable for Fund shares sold	149,110
Dividends receivable	475,782
Interest receivable	485
Other assets	12,749
Total assets	801,492,512
Liabilities	
Payable upon return of securities loaned	6,745,286
Payable for Fund shares redeemed	398,860
Payable for variation margin on futures contracts	10,274
Accrued management fee	89,664
Accrued Trustees' fees	6,258
Other accrued expenses and payables	185,484
Total liabilities	7,435,826
Net assets, at value	**$ 794,056,686**
Net Assets Consist of	
Distributable earnings (loss)	569,382,930
Paid-in capital	224,673,756
Net assets, at value	**$ 794,056,686**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($718,798,906 ÷ 23,787,108 outstanding shares of beneficial interest, $.001 par value, unlimited number of shares authorized)	**$ 30.22**
Class B	
Net Asset Value, offering and redemption price per share ($54,812,388 ÷ 1,814,686 outstanding shares of beneficial interest, $.001 par value, unlimited number of shares authorized)	**$ 30.20**
Class B2	
Net Asset Value, offering and redemption price per share ($20,445,392 ÷ 676,257 outstanding shares of beneficial interest, $.001 par value, unlimited number of shares authorized)	**$ 30.23**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $1,371)	$ 10,276,038
Interest	499
Income distributions — DWS Central Cash Management Government Fund	1,788
Securities lending income, net of borrower rebates	4,848
Total income	10,283,173
Expenses:	
Management fee	1,465,784
Administration fee	710,905
Services to shareholders	1,541
Record keeping fee (Class B and Class B-2)	93,240
Distribution service fees (Class B and Class B-2)	169,695
Custodian fee	13,639
Professional fees	69,403
Reports to shareholders	48,034
Trustees' fees and expenses	25,680
Other	34,284
Total expenses before expense reductions	2,632,205
Expense reductions	(463,645)
Total expenses after expense reductions	2,168,560
Net investment income	**8,114,613**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	37,186,349
Futures	1,788,248
	38,974,597
Change in net unrealized appreciation (depreciation) on:	
Investments	135,200,368
Futures	(82,208)
	135,118,160
Net gain (loss)	**174,092,757**
Net increase (decrease) in net assets resulting from operations	**$182,207,370**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 8,114,613	$ 8,923,631
Net realized gain (loss)	38,974,597	31,108,402
Change in net unrealized appreciation (depreciation)	135,118,160	61,784,594
Net increase (decrease) in net assets resulting from operations	182,207,370	101,816,627
Distributions to shareholders:		
Class A	(37,893,566)	(40,621,912)
Class B	(2,473,191)	(2,466,115)
Class B2	(1,024,797)	(1,183,053)
Total distributions	(41,391,554)	(44,271,080)
Fund share transactions:		
Class A		
Proceeds from shares sold	19,492,366	19,014,191
Reinvestment of distributions	37,893,566	40,621,912
Payments for shares redeemed	(73,018,437)	(66,299,729)
Net increase (decrease) in net assets from Class A share transactions	(15,632,505)	(6,663,626)
Class B		
Proceeds from shares sold	10,287,704	8,754,512
Reinvestment of distributions	2,473,191	2,466,115
Payments for shares redeemed	(9,108,205)	(6,399,660)
Net increase (decrease) in net assets from Class B share transactions	3,652,690	4,820,967
Class B2		
Proceeds from shares sold	23,964	198,779
Reinvestment of distributions	1,024,797	1,183,053
Payments for shares redeemed	(2,589,893)	(1,848,331)
Net increase (decrease) in net assets from Class B2 share transactions	(1,541,132)	(466,499)
Increase (decrease) in net assets	127,294,869	55,236,389
Net assets at beginning of period	666,761,817	611,525,428
Net assets at end of period	**$794,056,686**	**$666,761,817**

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

Statements of Changes in Net Assets

Other Information	Years Ended December 31, 2021	2020
Class A		
Shares outstanding at beginning of period	24,298,803	24,258,385
Shares sold	723,150	919,928
Shares issued to shareholders in reinvestment of distributions	1,439,178	2,207,713
Shares redeemed	(2,674,023)	(3,087,223)
Net increase (decrease) in Class A shares	(511,695)	40,418
Shares outstanding at end of period	**23,787,108**	**24,298,803**
Class B		
Shares outstanding at beginning of period	1,675,259	1,426,637
Shares sold	378,603	403,823
Shares issued to shareholders in reinvestment of distributions	93,717	133,737
Shares redeemed	(332,893)	(288,938)
Net increase (decrease) in Class B shares	139,427	248,622
Shares outstanding at end of period	**1,814,686**	**1,675,259**
Class B2		
Shares outstanding at beginning of period	730,615	742,685
Shares sold	864	9,662
Shares issued to shareholders in reinvestment of distributions	38,789	64,087
Shares redeemed	(94,011)	(85,819)
Net increase (decrease) in Class B2 shares	(54,358)	(12,070)
Shares outstanding at end of period	**676,257**	**730,615**

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

Financial Highlights

DWS Equity 500 Index VIP — Class A

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$24.97**	**$23.14**	**$18.90**	**$22.19**	**$19.58**
Income (loss) from investment operations:					
Net investment income[a]	.31	.34	.35	.37	.34
Net realized and unrealized gain (loss)	6.55	3.23	5.37	(1.31)	3.69
Total from investment operations	6.86	3.57	5.72	(.94)	4.03
Less distributions from:					
Net investment income	(.41)	(.39)	(.43)	(.38)	(.37)
Net realized gains	(1.20)	(1.35)	(1.05)	(1.97)	(1.05)
Total distributions	(1.61)	(1.74)	(1.48)	(2.35)	(1.42)
Net asset value, end of period	**$30.22**	**$24.97**	**$23.14**	**$18.90**	**$22.19**
Total Return (%)[b]	28.40	18.10	31.19	(4.65)	21.53
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	719	607	561	472	541
Ratio of expenses before expense reductions (%)[c]	.32	.33	.35	.34	.34
Ratio of expenses after expense reductions (%)[c]	.26	.26	.27	.30	.33
Ratio of net investment income (%)	1.14	1.56	1.68	1.73	1.67
Portfolio turnover rate (%)	2	4	3	3	3

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

DWS Equity 500 Index VIP — Class B

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$24.95**	**$23.12**	**$18.89**	**$22.17**	**$19.58**
Income (loss) from investment operations:					
Net investment income[a]	.21	.26	.28	.29	.28
Net realized and unrealized gain (loss)	6.54	3.23	5.35	(1.29)	3.67
Total from investment operations	6.75	3.49	5.63	(1.00)	3.95
Less distributions from:					
Net investment income	(.30)	(.31)	(.35)	(.31)	(.31)
Net realized gains	(1.20)	(1.35)	(1.05)	(1.97)	(1.05)
Total distributions	(1.50)	(1.66)	(1.40)	(2.28)	(1.36)
Net asset value, end of period	**$30.20**	**$24.95**	**$23.12**	**$18.89**	**$22.17**
Total Return (%)[b]	27.91	17.63	30.66	(4.94)	21.07
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	55	42	33	21	25
Ratio of expenses before expense reductions (%)[c]	.71	.71	.72	.71	.71
Ratio of expenses after expense reductions (%)[c]	.64	.64	.65	.65	.65
Ratio of net investment income (%)	.76	1.17	1.31	1.38	1.35
Portfolio turnover rate (%)	2	4	3	3	3

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

DWS Equity 500 Index VIP — Class B2

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$24.98**	**$23.14**	**$18.90**	**$22.18**	**$19.57**
Income (loss) from investment operations:					
Net investment income[a]	.21	.25	.27	.28	.26
Net realized and unrealized gain (loss)	6.54	3.24	5.36	(1.30)	3.69
Total from investment operations	6.75	3.49	5.63	(1.02)	3.95
Less distributions from:					
Net investment income	(.30)	(.30)	(.34)	(.29)	(.29)
Net realized gains	(1.20)	(1.35)	(1.05)	(1.97)	(1.05)
Total distributions	(1.50)	(1.65)	(1.39)	(2.26)	(1.34)
Net asset value, end of period	**$30.23**	**$24.98**	**$23.14**	**$18.90**	**$22.18**
Total Return (%)[b]	27.86	17.64	30.64	(5.00)	21.06
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	20	18	17	15	17
Ratio of expenses before expense reductions (%)[c]	.72	.72	.74	.73	.74
Ratio of expenses after expense reductions (%)[c]	.65	.65	.67	.70	.72
Ratio of net investment income (%)	.75	1.17	1.28	1.32	1.27
Portfolio turnover rate (%)	2	4	3	3	3

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

Notes to Financial Statements

A. Organization and Significant Accounting Policies

Deutsche DWS Investments VIT Funds (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company. The Trust is organized as a Massachusetts business trust. DWS Equity 500 Index VIP (the "Fund") is a diversified series of the Trust offered to investors. The Fund is an underlying investment vehicle for variable annuity contracts and variable life insurance policies to be offered by the separate accounts of certain life insurance companies ("Participating Insurance Companies").

Multiple Classes of Shares of Beneficial Interest. The Fund offers three classes of shares (Class A shares, Class B shares and Class B2 shares). Class B and Class B2 shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B and Class B2 shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1.

Debt securities are valued at prices supplied by independent pricing services approved by the Fund's Board. If the pricing services are unable to provide valuations, securities are valued at the most recent bid quotation or evaluated price, as applicable, obtained from one or more broker-dealers. Such services may use various pricing techniques which take into account appropriate factors such as yield, quality, coupon rate, maturity, type of issue, trading characteristics and other data, as well as broker quotes. These securities are generally categorized as Level 2.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Futures contracts are generally valued at the settlement prices established each day on the exchange on which they are traded and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements was overnight and continuous.

Federal Income Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to investments in futures contracts, certain securities sold at a loss, and the realized tax character on distributions from certain securities. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 8,886,573
Undistributed long-term capital gains	$ 37,558,965
Net unrealized appreciation (depreciation) on investments	$ 522,898,791

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $277,919,822. The net unrealized appreciation for all investments based on tax cost was $522,898,791. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $541,673,637 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $18,774,846.

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

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 10,689,177	$ 10,532,208
Distributions from long-term capital gains	$ 30,702,377	$ 33,738,872

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Real Estate Investment Trusts. The Fund at its fiscal year end recharacterizes distributions received from a Real Estate Investment Trust ("REIT") investment based on information provided by the REIT into the following categories: ordinary income, long-term and short-term capital gains, and return of capital. If information is not available timely from a REIT, the recharacterization will be estimated for financial reporting purposes and a recharacterization will be made to the accounting records in the following year when such information becomes available. Distributions received from REITs in excess of income are recorded as either a reduction of cost of investments or realized gains.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Derivative Instruments

A futures contract is an agreement between a buyer or seller and an established futures exchange or its clearinghouse in which the buyer or seller agrees to take or make a delivery of a specific amount of a financial instrument at a specified price on a specific date (settlement date). For the year ended December 31, 2021, the Fund invested in futures to keep cash on hand to meet shareholder redemptions or other needs while maintaining exposure to the stock market.

Upon entering into a futures contract, the Fund is required to deposit with a financial intermediary cash or securities ("initial margin") in an amount equal to a certain percentage of the face value indicated in the futures contract. Subsequent payments ("variation margin") are made or received by the Fund dependent upon the daily fluctuations in the value and are recorded for financial reporting purposes as unrealized gains or losses by the Fund. Gains or losses are realized when the contract expires or is closed. Since all futures contracts are exchange-traded, counterparty risk is minimized as the exchange's clearinghouse acts as the counterparty, and guarantees the futures against default. Upon a futures contract close out or expiration, realized gain or loss is recognized.

Certain risks may arise upon entering into futures contracts, including the risk that an illiquid market will limit the Fund's ability to close out a futures contract prior to the settlement date and the risk that the futures contract is not well correlated with the security, index or currency to which it relates. Risk of loss may exceed amounts recognized in the Statement of Assets and Liabilities.

A summary of the open futures contracts as of December 31, 2021, is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2021, the investment in futures contracts purchased had a total notional value generally indicative of a range from approximately $3,569,000 to $10,910,000.

The following tables summarize the value of the Fund's derivative instruments held as of December 31, 2021 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Assets Derivative	**Futures Contracts**
Equity Contracts (a)	$ 104,184

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

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

Additionally, the amount of unrealized and realized gains and losses on derivative instruments recognized in Fund earnings during the year ended December 31, 2021 and the related location in the accompanying Statement of Operations is summarized in the following tables by primary underlying risk exposure:

Realized Gain (Loss)	**Futures Contracts**
Equity Contracts (a)	$ 1,788,248

The above derivative is located in the following Statement of Operations account:

(a) Net realized gain (loss) from futures

Change in Net Unrealized Appreciation (Depreciation)	**Futures Contracts**
Equity Contracts (a)	$ (82,208)

The above derivative is located in the following Statement of Operations account:

(a) Change in net unrealized appreciation (depreciation) on futures

C. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $16,284,023 and $56,451,315, respectively.

D. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund or delegates such responsibility to the Fund's subadvisor. Northern Trust Investments, Inc. ("NTI") serves as subadvisor. As a subadvisor to the Fund, NTI makes investment decisions and buys and sells securities for the Fund. NTI is paid by the Advisor for the services NTI provides to the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays the Advisor an annual fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $1 billion of the Fund's average daily net assets	.200%
Next $1 billion of such net assets	.175%
Over $2 billion of such net assets	.150%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.20% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2022 (through April 30, 2021 for Class B shares and September 30, 2021 for Class B2 shares), the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.26%
Class B	.64%
Class B2	.66%

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of Class B shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 0.65%.

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of certain classes as follows:

Class B	.64%
Class B2	.65%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 420,276
Class B	31,168
Class B2	12,201
	$ 463,645

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $710,905, of which $64,283 is unpaid.

Distribution Service Agreement. DWS Distributors, Inc. ("DDI"), an affiliate of the Advisor, is the Fund's distributor. In accordance with the Distribution Plan, DDI receives 12b-1 fees of up to 0.25% of the average daily net assets of Class B and B2 shares. For the year ended December 31, 2021, the Distribution Service Fees were as follows:

Distribution Service Fees	**Total Aggregated**	**Unpaid at December 31, 2021**
Class B	$ 121,363	$ 11,732
Class B2	48,332	4,282
	$ 169,695	**$ 16,014**

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the

shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 593	$ 99
Class B	103	17
Class B2	70	12
	$ 766	**$ 128**

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $5,740, of which $367 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $365.

E. Ownership of the Fund

At December 31, 2021, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 52% and 14%, respectively. One participating insurance company was owner of record of 10% or more of the total outstanding Class B shares of the Fund, owning 90%. Two participating insurance companies were the owners of record of 10% or more of the total outstanding Class B2 shares of the Fund, each owning 85% and 15%, respectively.

F. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

G. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Investments VIT Funds and Shareholders of DWS Equity 500 Index VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Equity 500 Index VIP (the "Fund") (one of the funds constituting Deutsche DWS Investments VIT Funds) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Investments VIT Funds) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses **(Unaudited)**

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**	**Class B2**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,115.50	$ 1,113.20	$ 1,113.00
Expenses Paid per $1,000*	$ 1.39	$ 3.41	$ 3.46

Hypothetical 5% Fund Return	**Class A**	**Class B**	**Class B2**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,023.89	$ 1,021.98	$ 1,021.93
Expenses Paid per $1,000*	$ 1.33	$ 3.26	$ 3.31

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**	**Class B2**
DWS Equity 500 Index VIP	.26%	.64%	.65%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

The Fund paid distributions of $1.18 per share from net long-term capital gains during its year ended December 31, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $41,443,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 92% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Equity 500 Index VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") and sub-advisory agreement (the "Sub-Advisory Agreement" and together with the Agreement, the "Agreements") between DIMA and Northern Trust Investments, Inc. ("NTI") in September 2021.

In terms of the process that the Board followed prior to approving the Agreements, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreements, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's and NTI's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreements, including the scope of advisory services provided under the Agreements. The Board noted that, under the Agreements, DIMA and NTI provide portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. Throughout the course of the year, the Board also received information regarding DIMA's oversight of fund sub-advisors, including NTI. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 2nd quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers).

Fees and Expenses. The Board considered the Fund's investment management fee schedule, sub-advisory fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were higher than the median (3rd quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). With respect to the sub-advisory fee paid to NTI, the Board noted that the fee is paid by DIMA out of its fee and not directly by the Fund. The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA and NTI.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available. The Board did not consider the profitability of NTI with respect to the Fund. The Board noted that DIMA pays NTI's fee out of its management fee, and its understanding that the Fund's sub-advisory fee schedule was the product of an arm's length negotiation with DIMA.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and NTI and Their Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and NTI and their affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel. The Board also considered the attention and resources dedicated by DIMA to the oversight of the investment sub-advisor's compliance program and compliance with the applicable fund policies and procedures.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreements is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreements.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

Notes

vit-equ500-2 (R-025817-11 2/22)

December 31, 2021

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 ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

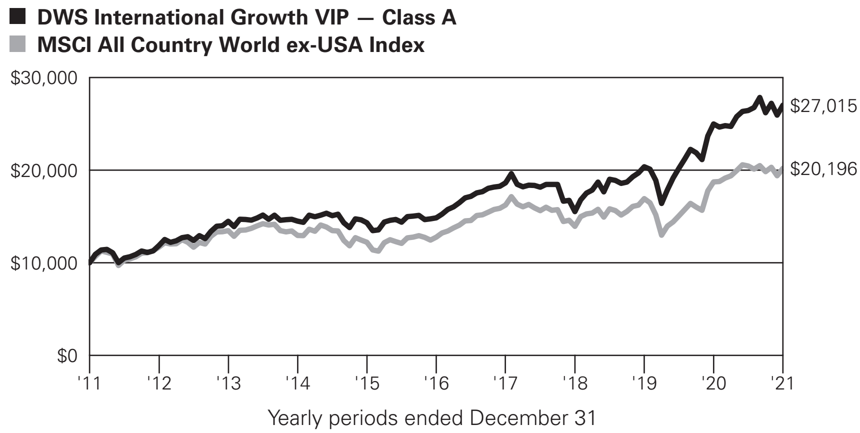
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 1.50% and 1.81% 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 25 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	$10,811	$17,406	$18,194	$27,015
	Average annual total return	8.11%	20.29%	12.72%	10.45%
MSCI All Country World ex-USA Index	Growth of $10,000	$10,782	$14,497	$15,822	$20,196
	Average annual total return	7.82%	13.18%	9.61%	7.28%

DWS International Growth VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$10,788	$17,260	$17,962	$26,208
	Average annual total return	7.88%	19.95%	12.43%	10.11%
MSCI All Country World ex-USA Index	Growth of $10,000	$10,782	$14,497	$15,822	$20,196
	Average annual total return	7.82%	13.18%	9.61%	7.28%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

The Fund's Class A shares returned 8.11% in 2021 (unadjusted for contract charges), outperforming the 7.82% return of the MSCI All-Country World ex-USA Index. Notably, the Fund exceeded the return of its benchmark despite the underperformance of the growth style relative to the broader market. The Fund also outpaced the index in the five-, and ten-year periods that ended on December 31, 2021.

The Fund's outperformance in 2021 stemmed largely from its positioning in the information technology sector. In addition to benefiting from being overweight in this outperforming group, the Fund held positions in a wide range of stocks that outpaced the broader category thanks to the robust demand for digital transformation and IT services. Among these were EPAM Systems, Inc., Capgemini SE, and Globant SA. NVIDIA Corp., which capitalized on the strong global demand for chips, was another top performer in the category. Outside of technology, Brookfield Asset Management, Inc. — which executed well and was well positioned to benefit from the popularity of alternative investments — was the top contributor.

TeamViewer AG, a provider of connectivity solutions, was the largest detractor. The German-based company delivered excellent results in 2020 due to increased demand brought about by COVID-19. More recently, the company was compelled to reduce its growth expectations due to higher churn among customers who had signed up during the pandemic. Our holdings in several Chinese companies that were affected by the government's regulatory measures, including Alibaba Group Holding Ltd., New Oriental Education & Technology Group Inc.,* Ping An Insurance Group Co. of China Ltd. were also key detractors. In addition, Magazine Luiza SA and Pagseguro Digital Ltd. were impacted by negative sentiment surrounding Brazilian technology stocks.

The combination of rising inflation, the persistence of COVID-19, and more hawkish central bank policy led to dramatic swings between growth stocks and cyclicals in 2021. We think this pattern may continue, which argues for balance in the portfolio. Balance, in this case, is represented by a mix of reasonably valued companies with resilient and adaptable business models, as well as both secular and stock-specific growth drivers.

Our bigger-picture view is that the world is still very much in the midst of a transformative wave of innovation. While this process was accelerated because of COVID-19, it can continue to provide a strong tailwind for faster-growing businesses at the forefront of inevitable technological change. This involves not just the innovators that are driving the change, but also other players that are quick to adopt new solutions and successfully transform their businesses through initiatives such as digitization, artificial intelligence, connectivity, and network effects. The resulting shift in competitive dynamics has led to an expanding range of investment opportunities around the world, particularly in the consumer, industrial, financial, and health care sectors.

We remained highly selective during the past year. We focused on attempting to take advantage of pullbacks in the stocks of growth businesses, especially during periods of style rotation. For example, we built positions in leading e-commerce operators and their enablers, including providers of logistics and warehousing automation solutions. We also sought emerging disruptors, as well as growers with leverage to the economic recovery.

In terms of broader positioning, we maintained underweights in sectors we believe are structurally challenged, such as energy, materials, and financials. However, we aimed to identify specific companies that are successfully advancing their business mix towards high value-added segments, as well as those digitally transforming their businesses for better resource planning, productivity, and customer engagement.

Western Europe has been a source of opportunity at the regional level, particularly with respect to secular growth areas led by digital transformation, the green energy transition, and consumers' evolution toward online shopping. The emerging markets remain an area of interest, as well. Although many emerging countries continued to face challenges from macroeconomic and policy headwinds, we identified an increasing number of innovative companies in the category.

Sebastian P. Werner, PhD, Head of Investment Strategy Equity
Julia A. Merz, PhD, Portfolio Manager Equity
Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

MSCI 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 25 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.

* Not held at December 31, 2021.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	98%	96%
Preferred Stocks	1%	1%
Cash Equivalents	1%	2%
Exchange-Traded Funds	—	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Exchange-Traded Funds, Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Information Technology	25%	24%
Industrials	22%	15%
Financials	14%	13%
Health Care	14%	16%
Consumer Discretionary	8%	13%
Consumer Staples	6%	7%
Materials	5%	5%
Communication Services	4%	6%
Energy	2%	1%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Germany	13%	15%
France	12%	12%
Netherlands	10%	6%
Japan	9%	10%
Switzerland	8%	9%
United States	8%	8%
Canada	8%	7%
Ireland	5%	4%
China	4%	8%
Sweden	4%	3%
Argentina	4%	2%
United Kingdom	4%	4%
Singapore	2%	2%
Taiwan	2%	2%
Korea	2%	2%
Brazil	1%	2%
Other	4%	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.

	Shares	Value ($)
Common Stocks 97.5%		
Argentina 3.5%		
Globant SA*	2,170	681,575
MercadoLibre, Inc.*	79	106,524
(Cost $315,297)		**788,099**
Brazil 1.0%		
Magazine Luiza SA	37,790	48,846
Pagseguro Digital Ltd. "A"* (a) (b)	6,431	168,621
(Cost $334,413)		**217,467**
Canada 7.8%		
Agnico Eagle Mines Ltd.	4,088	217,141
Alimentation Couche-Tard, Inc. "B"	5,500	230,444
Brookfield Asset Management, Inc. "A"	15,000	905,847
Canadian National Railway Co.	2,843	349,220
Nuvei Corp. 144A*	765	49,591
(Cost $786,151)		**1,752,243**
China 4.4%		
Alibaba Group Holding Ltd. (ADR)*	1,445	171,651
ANTA Sports Products Ltd. (b)	4,800	71,974
Dada Nexus Ltd. (ADR)*	635	8,357
Minth Group Ltd.	16,870	74,126
Ping An Insurance (Group) Co. of China Ltd. "H"	41,000	295,414
Tencent Holdings Ltd.	6,200	360,332
(Cost $819,928)		**981,854**
France 11.5%		
Capgemini SE	1,387	340,186
Cie de Saint-Gobain	2,491	175,503
LVMH Moet Hennessy Louis Vuitton SE	729	602,932
Orpea SA	1,248	125,133
Schneider Electric SE	1,036	203,342
Teleperformance	1,081	481,419
TotalEnergies SE	6,560	333,421
Vinci SA	3,117	329,303
(Cost $1,599,268)		**2,591,239**
Germany 11.9%		
adidas AG	380	109,360
Allianz SE (Registered)	1,542	363,669
Auto1 Group SE 144A*	3,181	70,403
BASF SE	2,214	155,924
Brenntag SE	1,816	164,298
Deutsche Boerse AG	2,601	434,906
Deutsche Post AG (Registered)	3,711	238,092
Evonik Industries AG	7,403	239,860
Evotec SE*	4,555	219,393
KION Group AG	1,230	135,037
SAP SE	1,685	238,018

	Shares	Value ($)
TeamViewer AG 144A*	7,806	104,796
Wacker Chemie AG	541	80,908
Zalando SE 144A*	1,518	122,712
(Cost $2,629,656)		**2,677,376**
Hong Kong 1.6%		
Techtronic Industries Co., Ltd. (Cost $87,760)	18,597	**370,394**
Ireland 4.7%		
Experian PLC	10,820	531,936
ICON PLC* (c)	743	230,107
Kerry Group PLC "A"	2,308	297,324
(Cost $595,908)		**1,059,367**
Israel 1.1%		
Kornit Digital Ltd.* (c) (Cost $181,370)	1,671	**254,410**
Japan 9.2%		
Daikin Industries Ltd.	1,900	429,845
Fast Retailing Co., Ltd.	230	130,314
Hoya Corp.	2,700	400,530
Keyence Corp.	700	439,452
Lasertec Corp.	500	152,481
MISUMI Group, Inc.	4,511	185,288
Shimadzu Corp.	4,900	206,604
Shiseido Co., Ltd. (b)	2,300	128,261
(Cost $1,110,944)		**2,072,775**
Korea 2.0%		
LG Chem Ltd.	92	47,632
Samsung Electronics Co., Ltd.	6,104	401,249
(Cost $349,120)		**448,881**
Luxembourg 1.0%		
Eurofins Scientific SE (Cost $122,199)	1,910	**236,639**
Netherlands 9.5%		
Adyen NV 144A*	73	191,945
Airbus SE*	1,316	168,565
ASML Holding NV	599	479,810
ING Groep NV	18,949	264,864
Koninklijke DSM NV	1,378	310,460
Koninklijke Philips NV	5,631	209,860
NXP Semiconductors NV (c)	995	226,641
Prosus NV	1,545	128,946
Universal Music Group NV	5,969	167,925
(Cost $1,567,148)		**2,149,016**
Singapore 2.3%		
DBS Group Holdings Ltd. (Cost $356,967)	21,300	**516,047**
Sweden 3.5%		
Assa Abloy AB "B"	4,555	139,082
Hexagon AB "B"	8,735	138,335

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

	Shares	Value ($)
Nobina AB 144A	24,041	284,592
Spotify Technology SA* (a)	1,011	236,604
(Cost $480,434)		**798,613**
Switzerland 8.4%		
Alcon, Inc.	739	65,181
Lonza Group AG (Registered)	855	713,179
Nestle SA (Registered)	4,053	567,238
Roche Holding AG (Genusschein)	888	369,059
Sportradar Holding AG "A"* (b) (c)	3,517	61,794
Zur Rose Group AG*	470	121,173
(Cost $956,519)		**1,897,624**
Taiwan 2.3%		
Taiwan Semiconductor Manufacturing Co., Ltd. (Cost $180,425)	23,000	**511,256**
United Kingdom 3.5%		
Clarivate PLC* (a) (b)	8,159	191,900
Farfetch Ltd. "A"* (a)	3,114	104,101
Halma PLC	4,488	194,184
Rentokil Initial PLC	33,998	269,070
VTEX "A"* (a) (b)	2,396	25,685
(Cost $654,846)		**784,940**
United States 8.3%		
Activision Blizzard, Inc.	1,667	110,905
EPAM Systems, Inc.*	833	556,819
Marsh & McLennan Companies, Inc.	1,958	340,339
Mastercard, Inc. "A"	618	222,060
NVIDIA Corp.	1,125	330,874
Schlumberger NV	3,003	89,940
Thermo Fisher Scientific, Inc.	344	229,531
(Cost $634,151)		**1,880,468**
Total Common Stocks (Cost $13,762,504)		**21,988,708**

	Shares	Value ($)
Preferred Stocks 1.3%		
Germany		
Sartorius AG (Cost $131,681)	437	**295,796**
Securities Lending Collateral 2.8%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e) (Cost $631,412)	631,412	**631,412**
Cash Equivalents 1.1%		
DWS Central Cash Management Government Fund, 0.05% (d) (Cost $236,102)	236,102	**236,102**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $14,761,699)	102.7	**23,152,018**
Other Assets and Liabilities, Net	(2.7)	**(600,251)**
Net Assets	100.0	**22,551,767**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 2.8%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e)								
—	631,412 (f)	—	—	—	16,403	—	631,412	631,412
Cash Equivalents 1.1%								
DWS Central Cash Management Government Fund, 0.05% (d)								
458,187	5,645,365	5,867,450	—	—	129	—	236,102	236,102
458,187	**6,276,777**	**5,867,450**	**—**	**—**	**16,532**	**—**	**867,514**	**867,514**

* Non-income producing security.

(a) Listed on the New York Stock Exchange.

(b) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $602,326, which is 2.7% of net assets.

(c) Listed on the NASDAQ Stock Market, Inc.

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

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

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

(f) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

ADR: American Depositary Receipt

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Common Stocks				
Argentina	$ 788,099	$ —	$ —	$ 788,099
Brazil	168,621	48,846	—	217,467
Canada	1,752,243	—	—	1,752,243
China	180,008	801,846	—	981,854
France	—	2,591,239	—	2,591,239
Germany	—	2,677,376	—	2,677,376
Hong Kong	—	370,394	—	370,394
Ireland	230,107	829,260	—	1,059,367
Israel	254,410	—	—	254,410
Japan	—	2,072,775	—	2,072,775
Korea	—	448,881	—	448,881
Luxembourg	—	236,639	—	236,639
Netherlands	226,641	1,922,375	—	2,149,016
Singapore	—	516,047	—	516,047
Sweden	236,604	562,009	—	798,613
Switzerland	61,794	1,835,830	—	1,897,624
Taiwan	—	511,256	—	511,256
United Kingdom	321,686	463,254	—	784,940
United States	1,880,468	—	—	1,880,468
Preferred Stocks	—	295,796	—	295,796
Short-Term Investments (a)	867,514	—	—	867,514
Total	**$6,968,195**	**$16,183,823**	**$ —**	**$23,152,018**

(a) See Investment Portfolio for additional detailed categorizations.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $13,894,185) — including $602,326 of securities loaned	$ 22,284,504
Investment in DWS Government & Agency Securities Portfolio (cost $631,412)*	631,412
Investment in DWS Central Cash Management Government Fund (cost $236,102)	236,102
Foreign currency, at value (cost $73,550)	71,127
Receivable for investments sold	29,632
Receivable for Fund shares sold	1,322
Dividends receivable	4,040
Interest receivable	101
Foreign taxes recoverable	24,036
Other assets	430
Total assets	23,282,706
Liabilities	
Payable upon return of securities loaned	631,412
Payable for Fund shares redeemed	11,988
Accrued management fee	4,625
Accrued Trustees' fees	509
Other accrued expenses and payables	82,405
Total liabilities	730,939
Net assets, at value	**$ 22,551,767**
Net Assets Consist of	
Distributable earnings (loss)	8,889,920
Paid-in capital	13,661,847
Net assets, at value	**$ 22,551,767**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($22,446,716 ÷ 1,193,724 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 18.80**
Class B	
Net Asset Value, offering and redemption price per share ($105,051 ÷ 5,576 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 18.84**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $40,585)	$ 257,228
Income distributions — DWS Central Cash Management Government Fund	129
Securities lending income, net of borrower rebates	16,403
Total income	273,760
Expenses:	
Management fee	128,631
Administration fee	20,124
Services to shareholders	732
Record keeping fee (Class B)	6
Distribution service fee (Class B)	365
Custodian fee	13,629
Audit fee	59,103
Legal fees	11,717
Tax fees	7,206
Reports to shareholders	23,703
Trustees' fees and expenses	2,194
Other	9,914
Total expenses before expense reductions	277,324
Expense reductions	(89,307)
Total expenses after expense reductions	188,017
Net investment income	**85,743**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	451,935
Foreign currency	1,884
	453,819
Change in net unrealized appreciation (depreciation) on:	
Investments	993,705
Foreign currency	(6,182)
	987,523
Net gain (loss)	**1,441,342**
Net increase (decrease) in net assets resulting from operations	**$1,527,085**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 85,743	$ 68,931
Net realized gain (loss)	453,819	266,287
Change in net unrealized appreciation (depreciation)	987,523	3,136,891
Net increase (decrease) in net assets resulting from operations	1,527,085	3,472,109
Distributions to shareholders:		
Class A	(300,260)	(248,933)
Class B	(1,284)	(1,082)
Total distributions	(301,544)	(250,015)
Fund share transactions:		
Class A		
Proceeds from shares sold	3,858,747	1,646,537
Reinvestment of distributions	300,260	248,933
Payments for shares redeemed	(2,223,148)	(3,319,251)
Net increase (decrease) in net assets from Class A share transactions	1,935,859	(1,423,781)
Class B		
Proceeds from shares sold	69,880	1,708
Reinvestment of distributions	1,284	1,082
Payments for shares redeemed	(79,732)	(73,265)
Net increase (decrease) in net assets from Class B share transactions	(8,568)	(70,475)
Increase (decrease) in net assets	3,152,832	1,727,838
Net assets at beginning of period	19,398,935	17,671,097
Net assets at end of period	**$22,551,767**	**$19,398,935**

Other Information		
Class A		
Shares outstanding at beginning of period	1,093,246	1,196,084
Shares sold	205,692	111,439
Shares issued to shareholders in reinvestment of distributions	16,498	20,388
Shares redeemed	(121,712)	(234,665)
Net increase (decrease) in Class A shares	100,478	(102,838)
Shares outstanding at end of period	**1,193,724**	**1,093,246**
Class B		
Shares outstanding at beginning of period	6,025	10,737
Shares sold	3,808	134
Shares issued to shareholders in reinvestment of distributions	70	88
Shares redeemed	(4,327)	(4,934)
Net increase (decrease) in Class B shares	(449)	(4,712)
Shares outstanding at end of period	**5,576**	**6,025**

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

Financial Highlights

DWS International Growth VIP — Class A

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$17.65**	**$14.64**	**$11.47**	**$13.90**	**$11.12**
Income (loss) from investment operations:					
Net investment income[a]	.08	.06	.22	.16	.08
Net realized and unrealized gain (loss)	1.34	3.17	3.32	(2.46)	2.75
Total from investment operations	1.42	3.23	3.54	(2.30)	2.83
Less distributions from:					
Net investment income	(.06)	(.22)	(.17)	(.13)	(.05)
Net realized gains	(.21)	—	(.20)	—	—
Total distributions	(.27)	(.22)	(.37)	(.13)	(.05)
Net asset value, end of period	**$18.80**	**$17.65**	**$14.64**	**$11.47**	**$13.90**
Total Return (%)[b]	8.11	22.69	31.22	(16.69)	25.47
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	22	19	18	14	19
Ratio of expenses before expense reductions (%)[c]	1.33	1.50	1.64	1.72	1.56
Ratio of expenses after expense reductions (%)[c]	.90	.87	.86	.81	.92
Ratio of net investment income (%)	.41	.42	1.63	1.21	.61
Portfolio turnover rate (%)	20	10	16	38	62

[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 International Growth VIP — Class B

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$17.67**	**$14.66**	**$11.49**	**$13.93**	**$11.13**
Income (loss) from investment operations:					
Net investment income[a]	.03	.01	.18	.12	.02
Net realized and unrealized gain (loss)	1.36	3.18	3.33	(2.46)	2.79
Total from investment operations	1.39	3.19	3.51	(2.34)	2.81
Less distributions from:					
Net investment income	(.01)	(.18)	(.14)	(.10)	(.01)
Net realized gains	(.21)	—	(.20)	—	—
Total distributions	(.22)	(.18)	(.34)	(.10)	(.01)
Net asset value, end of period	**$18.84**	**$17.67**	**$14.66**	**$11.49**	**$13.93**
Total Return (%)[b]	7.88	22.29	30.84	(16.92)	25.26
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	.1	.1	.2	.2	.2
Ratio of expenses before expense reductions (%)[c]	1.62	1.81	1.95	2.07	1.90
Ratio of expenses after expense reductions (%)[c]	1.17	1.18	1.16	1.06	1.15
Ratio of net investment income (%)	.18	.07	1.31	.92	.12
Portfolio turnover rate (%)	20	10	16	38	62

[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). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities and exchange-traded funds ("ETFs") are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Equity securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities or ETFs are generally categorized as Level 1. 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 efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as common stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements were overnight and continuous.

Taxes. 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 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, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to investments in 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, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 233,674
Undistributed long-term capital gains	$ 300,447
Net unrealized appreciation (depreciation) on investments	$ 8,358,482

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $14,793,536. The net unrealized appreciation for all investments based on tax cost was $8,358,482. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $9,219,066 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $860,584.

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

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 69,290	$ 250,015
Distributions from long-term capital gains	$ 232,254	$ —

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $6,045,043 and $3,958,477, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly at the annual rate (exclusive of any applicable waivers/reimbursements) of 0.62%.

For the period from January 1, 2021 through April 30, 2021 (and through April 30, 2022 for Class B shares), the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.87%
Class B	1.17%

Effective May 1, 2021 through April 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of Class A shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 0.92%.

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 88,655
Class B	652
	$ 89,307

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $20,124, of which $1,832 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 265	$ 44
Class B	44	7
	$ 309	**$ 51**

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, 2021, the Distribution Service Fee aggregated $365, of which $29 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,040, of which $408 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

D. Ownership of the Fund

At December 31, 2021, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 83%. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 87% and 13%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS 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, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst + Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses **(Unaudited)**

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,021.70	$ 1,020.60
Expenses Paid per $1,000*	$ 4.69	$ 5.96

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,020.57	$ 1,019.31
Expenses Paid per $1,000*	$ 4.69	$ 5.96

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series II — DWS International Growth VIP	.92%	1.17%

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, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $336,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 9% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

The Fund paid foreign taxes of $60,597 and earned $275,111 of foreign source income during the year ended December 31, 2021. Pursuant to Section 853 of the Internal Revenue Code, the Fund designates $0.05 per share as foreign taxes paid and $0.23 per share as income earned from foreign sources for the year ended December 31, 2021.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS International Growth VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 2nd quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has outperformed its benchmark in the one-, three- and five-year periods ended December 31, 2020.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to a comparable DWS U.S. registered fund ("DWS Funds") and considered differences between the Fund and the comparable DWS Fund. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. In this regard, the Board observed that while the Fund's current investment management fee schedule does not include breakpoints, the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the

substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

VS2IG-2 (R-025830-12 2/22)

December 31, 2021

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 ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

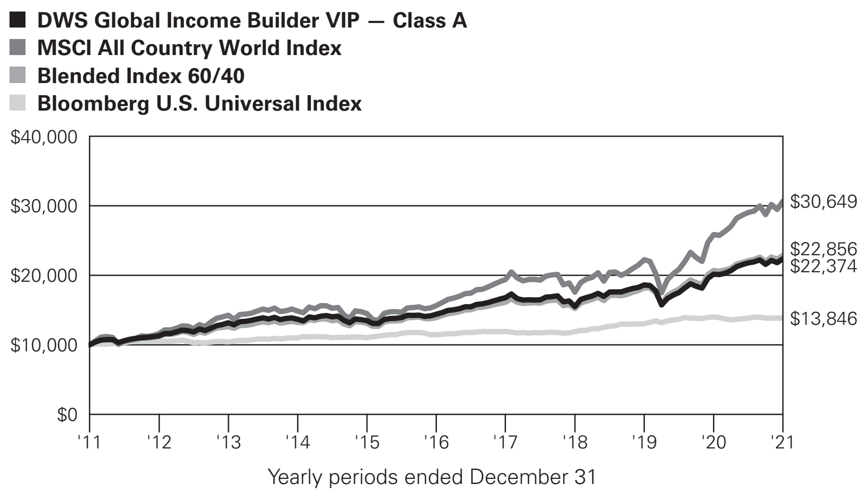
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.64% 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 27 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 U.S. Universal Index (name changed from Bloomberg Barclays U.S. Universal Index, effective August 24, 2021).

Bloomberg U.S. Universal Index (name changed from Bloomberg Barclays U.S. Universal Index, effective August 24, 2021) 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	$11,095	$14,437	$15,535	$22,374
	Average annual total return	10.95%	13.02%	9.21%	8.39%
MSCI All Country World Index	Growth of $10,000	$11,854	$17,446	$19,592	$30,649
	Average annual total return	18.54%	20.38%	14.40%	11.85%
Blended Index 60/40	Growth of $10,000	$11,043	$15,022	$16,391	$22,856
	Average annual total return	10.43%	14.53%	10.39%	8.62%
Bloomberg U.S. Universal Index	Growth of $10,000	$9,890	$11,627	$12,072	$13,846
	Average annual total return	–1.10%	5.15%	3.84%	3.31%

Comparative Results

DWS Global Income Builder VIP		1-Year	3-Year	Life of Class*
Class B	Growth of $10,000	$11,056	$14,318	$13,464
	Average annual total return	10.56%	12.71%	8.45%
MSCI All Country World Index	Growth of $10,000	$11,854	$17,446	$15,806
	Average annual total return	18.54%	20.38%	13.30%
Blended Index 60/40	Growth of $10,000	$11,043	$15,022	$14,281
	Average annual total return	10.43%	14.53%	13.84%
Bloomberg U.S. Universal Index	Growth of $10,000	$9,890	$11,627	$11,842
	Average annual total return	–1.10%	5.15%	4.72%

The growth of $10,000 is cumulative.

* Class B commenced operations on May 1, 2018.

Management Summary

December 31, 2021 (Unaudited)

The Fund returned 10.95% during the 12 months ended December 31, 2021 (Class A shares, unadjusted for contract charges), in line with the 10.43% 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 U.S. Universal Index. The two indexes returned 18.54% and -1.10%, respectively.

The wide gap between the returns for stocks and bonds reflects the impressive rebound in global growth. As the rollout of COVID-19 vaccines led to a gradual resumption of normal business conditions, economic growth and corporate earnings both accelerated from their depressed levels of 2020. While this environment boosted investors' appetite for risk and led to strong gains for equities, it also contributed to increasing inflation and a shift toward tighter monetary policy by the world's central banks. These developments weighed on the prices of global government bonds, but credit-oriented market segments — which tend to benefit from improving growth — held up reasonably well.

All segments of the Fund — equities, fixed income, and alternatives — posted positive absolute returns in 2021. In terms of relative performance, we generated the strongest results in the bond portfolio due to the combination of asset allocation and issuer selection. The portfolio was overweight in high-yield bonds, emerging-market debt, asset-backed securities, and commercial mortgage-backed securities, and it was underweight in U.S. Treasuries, investment-grade corporates and agency mortgage-backed securities. Overall, this positioning was well suited to capture the key trends in the bond market over the past year. Security selection in fixed income contributed, as well.

The stock portfolio slightly outperformed the equity benchmark, due largely to positive stock selection and an underweight position in China.

We retained a modest allocation to alternative assets through positions in preferred stocks and convertible securities. We invest in these categories as a way to generate income with lower interest-rate risk than bonds. While this aspect of our strategy was a small detractor in 2021, we see it as an important component of longer-term diversification.

The Fund used derivatives during the past 12 months, with a small, adverse effect on results. 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 maintained the Fund's core positioning over the past 12 months, while making some modest changes at the margin. We reduced the extent of the overweight in stocks late in the period, and we brought the equity portfolio's geographic weightings more closely in line with the benchmark. Believing rising interest rates, higher inflation, supply-chain disruptions, and political uncertainty all represented sources of potential market volatility, we believe it was prudent to reduce overall portfolio risk. With respect to the bond portfolio, our concerns about the Fed also formed the basis for our decision to minimize interest-rate sensitivity and maintain a focus on the credit sectors. We remained underweight in bonds, since we hold the allocation to alternatives in lieu of fixed income.

We anticipate a low-return environment in the year ahead, reflecting stocks' elevated valuations and the low yields in the bond market. We therefore see value in a flexible strategy that can seek opportunities across a wide range of asset classes and geographies, rather than one that is tied to the increasingly top-heavy U.S. equities indexes. In addition, we believe our approach allows us to use volatility to capture values and rotate away from areas where we see higher risk.

Dokyoung Lee, CFA, Regional Head of Multi Asset & Solutions
Di Kumble, CFA, Senior Portfolio Manager Equity
Thomas M. Farina, CFA, Head of Investment Strategy Fixed Income
Scott Agi, CFA, Head of Investment Strategy Fixed Income
Darwei Kung, Head of Investment Strategy Liquid Real Assets
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 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 27 emerging markets countries. It covers approximately 85% of the global investable equity opportunity set.

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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.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Equity	**65%**	**64%**
Common Stocks	60%	57%
Exchange-Traded Funds	3%	3%
Preferred Stocks	2%	4%
Warrants	0%	0%
Fixed Income	**32%**	**34%**
Corporate Bonds	23%	15%
Asset-Backed	3%	5%
Collateralized Mortgage Obligations	2%	3%
Commercial Mortgage-Backed Securities	2%	4%
Short-Term U.S. Treasury Obligations	1%	2%
Government & Agency Obligations	1%	1%
Mortgage-Backed Securities Pass-Throughs	0%	4%
Cash Equivalents	**3%**	**2%**
Cash Equivalents	3%	2%
	100%	100%

Sector Diversification (As a % of Equities, Preferred Securities, Warrants and Corporate Bonds)	**12/31/21**	**12/31/20**
Financials	23%	19%
Information Technology	20%	20%
Communication Services	10%	10%
Health Care	9%	9%
Consumer Discretionary	8%	9%
Industrials	6%	7%
Energy	6%	5%
Utilities	5%	6%
Consumer Staples	5%	6%
Materials	4%	5%
Real Estate	4%	4%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Exchange-Traded Funds, Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
United States	63%	63%
Japan	5%	5%
United Kingdom	4%	3%
Canada	4%	3%
Switzerland	3%	3%
Germany	2%	2%
France	2%	1%
Netherlands	2%	1%
Ireland	1%	2%
Australia	1%	2%
Cayman Islands	1%	1%
Hong Kong	0%	2%
Other	12%	12%
	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, 2021

	Shares	Value ($)
Common Stocks 61.1%		
Communication Services 5.6%		
Diversified Telecommunication Services 1.8%		
BCE, Inc.	4,450	231,515
Deutsche Telekom AG (Registered)	11,803	218,531
Koninklijke KPN NV	52,614	163,542
Nippon Telegraph & Telephone Corp.	6,646	182,056
Orange SA	17,750	190,056
Swisscom AG (Registered)	425	239,734
Telenor ASA	11,061	174,032
Telia Co. AB	55,732	218,091
Telstra Corp., Ltd.	70,452	214,046
TELUS Corp.	7,778	183,175
Verizon Communications, Inc.	6,894	358,212
		2,372,990
Entertainment 0.8%		
Activision Blizzard, Inc.	1,136	75,578
AMC Entertainment Holdings, Inc. "A"*	500	13,600
Netflix, Inc.*	400	240,976
Nintendo Co., Ltd.	556	259,336
Sea Ltd. (ADR)*	900	201,339
Walt Disney Co.*	1,500	232,335
		1,023,164
Interactive Media & Services 2.1%		
Alphabet, Inc. "A"*	299	866,215
Alphabet, Inc. "C"*	288	833,354
Match Group, Inc.*	1,400	185,150
Meta Platforms, Inc. "A"*	2,400	807,240
Zillow Group, Inc. "A"*	900	55,998
Zillow Group, Inc. "C"* (a)	1,000	63,850
		2,811,807
Media 0.3%		
Comcast Corp. "A"	3,738	188,134
Interpublic Group of Companies, Inc.	3,992	149,500
		337,634
Wireless Telecommunication Services 0.6%		
KDDI Corp.	6,541	190,926
SoftBank Corp.	15,101	191,221
Tele2 AB "B"	15,678	223,724
Vodafone Group PLC	169,457	256,440
		862,311
Consumer Discretionary 5.3%		
Auto Components 0.4%		
Bridgestone Corp.	4,700	202,272
Denso Corp.	2,852	236,335
Magna International, Inc.	2,000	161,825
		600,432
Automobiles 0.7%		
Honda Motor Co., Ltd.	5,000	141,632
Tesla, Inc.*	502	530,503
Toyota Motor Corp.	11,090	203,572
		875,707
Hotels, Restaurants & Leisure 0.9%		
Booking Holdings, Inc.*	3	7,198
Evolution AB 144A	1,047	148,413
McDonald's Corp.	1,110	297,558
Restaurant Brands International, Inc.	1,812	109,870
Starbucks Corp.	2,289	267,744
Yum! Brands, Inc.	2,151	298,688
		1,129,471
Household Durables 0.2%		
Garmin Ltd.	1,042	141,889
Sekisui House Ltd.	6,626	142,170
		284,059
Internet & Direct Marketing Retail 1.2%		
Amazon.com, Inc.*	487	1,623,824
Prosus NV	163	13,604
		1,637,428
Multiline Retail 0.4%		
Target Corp.	1,041	240,929
Wesfarmers Ltd.	6,085	262,191
		503,120
Specialty Retail 1.2%		
Best Buy Co., Inc.	1,475	149,860
Home Depot, Inc.	1,112	461,491
Industria de Diseno Textil SA	10,957	355,343
Lowe's Companies, Inc.	1,139	294,409
TJX Companies, Inc.	3,700	280,904
		1,542,007
Textiles, Apparel & Luxury Goods 0.3%		
LVMH Moet Hennessy Louis Vuitton SE	209	172,857
NIKE, Inc. "B"	1,400	233,338
		406,195
Consumer Staples 3.8%		
Beverages 0.5%		
Coca-Cola Co.	5,382	318,668
Diageo PLC	115	6,281
PepsiCo, Inc.	2,006	348,463
		673,412

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

	Shares	Value ($)
Food & Staples Retailing 1.2%		
Costco Wholesale Corp.	400	227,080
J Sainsbury PLC	41,118	153,384
Koninklijke Ahold Delhaize NV	5,133	175,928
Sysco Corp.	2,400	188,520
Tesco PLC	56,417	221,456
Walgreens Boots Alliance, Inc.	3,920	204,467
Walmart, Inc.	1,643	237,726
Woolworths Group Ltd.	5,160	142,693
		1,551,254
Food Products 0.8%		
General Mills, Inc.	2,762	186,103
Kellogg Co.	2,270	146,233
Kraft Heinz Co.	5,280	189,552
Nestle SA (Registered)	2,278	318,818
Wilmar International Ltd.	45,939	141,602
		982,308
Household Products 0.5%		
Colgate-Palmolive Co.	1,255	107,102
Kimberly-Clark Corp.	1,055	150,780
Procter & Gamble Co.	2,240	366,419
		624,301
Personal Products 0.2%		
L'Oreal SA	39	18,516
Unilever PLC	5,427	290,528
		309,044
Tobacco 0.6%		
Japan Tobacco, Inc.	21,200	428,155
Philip Morris International, Inc.	4,002	380,190
		808,345
Energy 2.5%		
Oil, Gas & Consumable Fuels		
Chevron Corp.	3,153	370,005
Enbridge, Inc.	6,800	265,614
Eni SpA	15,612	216,782
Exxon Mobil Corp.	6,800	416,092
Kinder Morgan, Inc.	13,900	220,454
ONEOK, Inc.	3,200	188,032
Pembina Pipeline Corp.	6,200	188,066
Reliance Industries Ltd. 144A, (GDR)	917	58,642
Repsol SA	11,610	137,934
TC Energy Corp.	4,695	218,354
TotalEnergies SE	11,989	609,357
Valero Energy Corp.	2,500	187,775
Williams Companies, Inc.	8,200	213,528
		3,290,635
Financials 10.0%		
Banks 4.4%		
Bank of America Corp.	5,900	262,491
Bank of Montreal	2,184	235,139
Bank of Nova Scotia	2,415	170,966
BOC Hong Kong Holdings Ltd.	61,163	200,529
Canadian Imperial Bank of Commerce	1,820	212,150
Citigroup, Inc.	3,700	223,443
Citizens Financial Group, Inc.	3,146	148,649
Commonwealth Bank of Australia	3,160	232,125
Credit Agricole SA	13,835	197,659
Fifth Third Bancorp.	4,100	178,555
Hang Seng Bank Ltd.	8,894	162,640
HSBC Holdings PLC	61,019	370,519
Huntington Bancshares, Inc.	10,776	166,166
ICICI Bank Ltd. (ADR)	900	17,811
Japan Post Bank Co., Ltd.	17,300	158,531
JPMorgan Chase & Co.	2,545	403,001
KeyCorp.	9,214	213,120
Mediobanca Banca di Credito Finanziario SpA	13,646	156,780
Mizuho Financial Group, Inc.	11,835	150,508
Oversea-Chinese Banking Corp., Ltd.	17,967	152,063
PNC Financial Services Group, Inc.	799	160,215
Regions Financial Corp.	12,294	268,009
Sumitomo Mitsui Financial Group, Inc.	5,373	183,876
Toronto-Dominion Bank	4,610	353,435
Truist Financial Corp.	2,980	174,479
U.S. Bancorp.	4,120	231,420
United Overseas Bank Ltd.	9,882	197,217
Wells Fargo & Co.	2,000	95,960
Westpac Banking Corp.	9,824	152,477
		5,829,933
Capital Markets 2.0%		
Apollo Global Management, Inc. (a)	2,856	206,860
BlackRock, Inc.	237	216,988
Blackstone, Inc.	8,933	1,155,841
Charles Schwab Corp.	400	33,640
CME Group, Inc.	1,200	274,152
Daiwa Securities Group, Inc.	27,400	154,473
Franklin Resources, Inc.	5,018	168,053
Nomura Holdings, Inc.	33,600	146,324
Partners Group Holding AG	130	214,425
		2,570,756
Consumer Finance 0.0%		
American Express Co.	100	**16,360**
Diversified Financial Services 0.1%		
ORIX Corp.	8,439	**171,797**
Insurance 3.5%		
Allianz SE (Registered)	1,253	295,511
Assicurazioni Generali SpA	10,358	219,297

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

	Shares	Value ($)
AXA SA	8,676	259,063
Japan Post Holdings Co., Ltd.	15,400	120,125
Legal & General Group PLC	60,553	243,337
Manulife Financial Corp.	10,007	190,734
MS&AD Insurance Group Holdings, Inc.	13,598	418,855
Muenchener Rueckversicherungs-Gesellschaft AG (Registered)	3,333	985,642
NN Group NV	2,842	154,590
Progressive Corp.	2,800	287,420
Prudential Financial, Inc.	2,164	234,231
Sampo Oyj "A"	5,348	268,023
Sompo Holdings, Inc.	2,982	125,697
Swiss Re AG	2,694	266,364
Tokio Marine Holdings, Inc.	3,200	177,792
Zurich Insurance Group AG	674	295,544
		4,542,225

Health Care 6.4%

	Shares	Value ($)
Biotechnology 1.0%		
AbbVie, Inc.	3,660	495,564
Amgen, Inc.	1,292	290,661
CSL Ltd.	65	13,754
Gilead Sciences, Inc.	4,126	299,589
Seagen, Inc.*	1,100	170,060
		1,269,628
Health Care Equipment & Supplies 0.7%		
Abbott Laboratories	2,058	289,643
Coloplast AS "B"	1,116	196,208
Danaher Corp.	600	197,406
Intuitive Surgical, Inc.*	100	35,930
Medtronic PLC	1,489	154,037
		873,224
Health Care Providers & Services 0.5%		
Anthem, Inc.	100	46,354
CVS Health Corp.	2,169	223,754
UnitedHealth Group, Inc.	894	448,913
		719,021
Health Care Technology 0.1%		
M3, Inc.	1,914	**96,238**
Life Sciences Tools & Services 0.1%		
Thermo Fisher Scientific, Inc.	300	**200,172**
Pharmaceuticals 4.0%		
Astellas Pharma, Inc.	20,810	338,544
AstraZeneca PLC	2,387	279,551
Bayer AG (Registered)	4,474	239,465
Bristol-Myers Squibb Co.	4,939	307,947
Canopy Growth Corp.*	600	5,237
Chugai Pharmaceutical Co., Ltd.	5,117	166,260
Eisai Co., Ltd.	5,000	285,186
Eli Lilly & Co.	1,279	353,285
GlaxoSmithKline PLC	17,076	370,803
Johnson & Johnson	2,156	368,827
Merck & Co., Inc.	4,786	366,799
Novartis AG (Registered)	4,304	378,025
Novo Nordisk AS "B"	2,990	336,650
Pfizer, Inc.	9,167	541,311
Roche Holding AG (Genusschein)	945	392,749
Sanofi	2,520	253,744
Takeda Pharmaceutical Co., Ltd.	7,873	214,833
		5,199,216

Industrials 4.1%

	Shares	Value ($)
Aerospace & Defense 0.4%		
BAE Systems PLC	24,883	184,964
Boeing Co.*	300	60,396
Lockheed Martin Corp.	400	142,164
Raytheon Technologies Corp.	2,115	182,017
		569,541
Air Freight & Logistics 0.5%		
Deutsche Post AG (Registered)	3,765	241,556
United Parcel Service, Inc. "B"	1,602	343,373
		584,929
Building Products 0.1%		
Xinyi Glass Holdings Ltd.	52,525	**131,275**
Commercial Services & Supplies 0.0%		
Quad Graphics, Inc.*	2	**8**
Construction & Engineering 0.1%		
Bouygues SA	3,936	**141,165**
Electrical Equipment 0.4%		
ABB Ltd. (Registered)	5,893	225,053
Ballard Power Systems, Inc.*	500	6,281
Eaton Corp. PLC	1,016	175,585
Emerson Electric Co.	1,626	151,169
Plug Power, Inc.*	300	8,469
Sunrun, Inc.*	100	3,430
		569,987
Industrial Conglomerates 0.4%		
3M Co.	1,104	196,104
Honeywell International, Inc.	699	145,748
Siemens AG (Registered)	1,388	239,804
		581,656
Machinery 0.9%		
Caterpillar, Inc.	1,300	268,762
Cummins, Inc.	579	126,303
Deere & Co.	100	34,289
Kone Oyj "B"	7,734	553,737
Sandvik AB	6,014	167,391
		1,150,482

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

	Shares	Value ($)
Marine 0.1%		
SITC International Holdings Co., Ltd.	44,000	**159,248**
Professional Services 0.2%		
Adecco Group AG (Registered)	2,572	131,075
Thomson Reuters Corp.	1,373	164,191
		295,266
Road & Rail 0.2%		
Union Pacific Corp.	941	**237,066**
Trading Companies & Distributors 0.8%		
Fastenal Co.	4,518	289,423
ITOCHU Corp.	5,771	176,617
Mitsubishi Corp.	5,909	188,004
Mitsui & Co., Ltd.	7,605	180,098
Sumitomo Corp.	12,338	182,766
		1,016,908

Information Technology 16.5%

	Shares	Value ($)
Communications Equipment 0.5%		
Cisco Systems, Inc.	7,724	489,470
Telefonaktiebolaget LM Ericsson "B"	12,074	132,452
		621,922
Electronic Equipment, Instruments & Components 0.4%		
Corning, Inc.	5,005	186,336
Keyence Corp.	200	125,557
TE Connectivity Ltd.	1,099	177,313
		489,206
IT Services 3.0%		
Accenture PLC "A"	510	211,420
Adyen NV 144A*	65	170,910
Automatic Data Processing, Inc.	841	207,374
Block, Inc. "A"*	1,358	219,331
Cloudflare, Inc. "A"*	1,200	157,800
Fujitsu Ltd.	839	143,380
Infosys Ltd. (ADR)	11,700	296,127
International Business Machines Corp.	2,602	347,783
Mastercard, Inc. "A"	676	242,900
MongoDB, Inc.* (a)	500	264,675
Paychex, Inc.	3,695	504,367
PayPal Holdings, Inc.*	965	181,980
Shopify, Inc. "A"*	272	374,513
Snowflake, Inc. "A"*	100	33,875
Twilio, Inc. "A"*	607	159,847
Visa, Inc. "A"	1,400	303,394
Western Union Co.	4,064	72,502
		3,892,178
Semiconductors & Semiconductor Equipment 5.7%		
Advanced Micro Devices, Inc.*	3,100	446,090
Analog Devices, Inc.	1,144	201,081
Applied Materials, Inc.	1,609	253,192
ASE Technology Holding Co., Ltd. (ADR)	30,800	240,548
ASML Holding NV	274	219,479
Broadcom, Inc.	949	631,474
Enphase Energy, Inc.*	855	156,414
Intel Corp.	6,271	322,957
KLA Corp.	479	206,023
Lam Research Corp.	256	184,102
Lasertec Corp.	600	182,977
Marvell Technology, Inc.	3,400	297,466
Micron Technology, Inc.	3,000	279,450
Monolithic Power Systems, Inc.	700	345,331
NVIDIA Corp.	2,548	749,392
QUALCOMM, Inc.	3,784	691,980
Skyworks Solutions, Inc.	712	110,460
Taiwan Semiconductor Manufacturing Co., Ltd. (ADR)	4,700	565,457
Texas Instruments, Inc.	2,204	415,388
Tokyo Electron Ltd.	626	359,192
United Microelectronics Corp. (ADR) (a)	57,800	676,260
		7,534,713
Software 3.7%		
Adobe, Inc.*	500	283,530
Autodesk, Inc.*	800	224,952
Crowdstrike Holdings, Inc. "A"*	961	196,765
Intuit, Inc.	430	276,585
Microsoft Corp.	7,766	2,611,861
Oracle Corp.	2,614	227,967
Palantir Technologies, Inc. "A"*	500	9,105
salesforce.com, Inc.*	800	203,304
SAP SE	1,056	149,167
ServiceNow, Inc.*	458	297,292
Trade Desk, Inc. "A"*	2,950	270,338
Zoom Video Communications, Inc. "A"*	733	134,806
		4,885,672
Technology Hardware, Storage & Peripherals 3.2%		
Apple, Inc.	16,509	2,931,503
Canon, Inc.	7,300	177,627
Hewlett Packard Enterprise Co.	10,653	167,998
HP, Inc.	7,093	267,193
NetApp, Inc.	2,251	207,069

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

	Shares	Value ($)
Samsung Electronics Co., Ltd. (GDR)	133	219,317
Seagate Technology Holdings PLC	2,212	249,912
		4,220,619
Materials 2.7%		
Chemicals 1.0%		
Air Products & Chemicals, Inc.	488	148,479
BASF SE	4,629	326,003
Dow, Inc.	4,934	279,856
Linde PLC	406	140,651
LyondellBasell Industries NV "A"	2,200	202,906
Nutrien Ltd.	3,170	238,273
		1,336,168
Construction Materials 0.2%		
Holcim Ltd.	3,979	**203,361**
Containers & Packaging 0.2%		
Amcor PLC	15,393	184,870
International Paper Co.	3,031	142,396
		327,266
Metals & Mining 1.1%		
Anglo American PLC	25,230	1,031,938
Antofagasta PLC	10,011	181,803
Freeport-McMoRan, Inc.	300	12,519
Newmont Corp.	2,800	173,656
		1,399,916
Paper & Forest Products 0.2%		
UPM-Kymmene Oyj	8,350	**317,313**
Real Estate 1.7%		
Equity Real Estate Investment Trusts (REITs) 1.6%		
American Tower Corp.	100	29,250
Ascendas Real Estate Investment Trust	39,765	87,109
CapitaLand Integrated Commercial Trust	97,652	147,863
Crown Castle International Corp.	873	182,230
Digital Realty Trust, Inc.	1,200	212,244
Iron Mountain, Inc.	4,300	225,019
Medical Properties Trust, Inc.	10,492	247,926
Prologis, Inc.	918	154,554
Public Storage	489	183,160
Realty Income Corp.	3,548	254,001
VICI Properties, Inc. (a)	6,562	197,582
WP Carey, Inc.	1,897	155,649
		2,076,587
Real Estate Management & Development 0.1%		
Sun Hung Kai Properties Ltd.	12,190	**147,821**

	Shares	Value ($)
Utilities 2.5%		
Electric Utilities 1.5%		
American Electric Power Co., Inc.	1,667	148,313
EDP - Energias de Portugal SA	36,418	200,325
Enel SpA	28,419	227,562
Fortum Oyj	7,199	220,690
Iberdrola SA	10,882	128,771
NextEra Energy, Inc.	1,958	182,799
PPL Corp.	7,335	220,490
Red Electrica Corp. SA (a)	8,455	183,326
Southern Co.	3,569	244,762
SSE PLC	7,511	167,495
		1,924,533
Gas Utilities 0.3%		
APA Group (Units)	24,431	178,638
Snam SpA	34,781	209,631
		388,269
Multi-Utilities 0.7%		
Consolidated Edison, Inc.	1,713	146,153
Dominion Energy, Inc.	2,104	165,290
E.ON SE	12,513	173,765
National Grid PLC	13,756	198,191
Public Service Enterprise Group, Inc.	2,469	164,757
Sempra Energy	959	126,857
		975,013
Total Common Stocks (Cost $59,627,173)		**80,292,282**
Preferred Stocks 2.4%		
Consumer Discretionary 0.1%		
Porsche Automobil Holding SE	1,575	**149,248**
Financials 1.6%		
AGNC Investment Corp., 7.0%	14,427	370,919
Fifth Third Bancorp., Series I, 6.625%	10,000	278,400
KeyCorp., Series E, 6.125%	10,000	302,400
Morgan Stanley, Series K, 5.85%	10,000	290,900
The Goldman Sachs Group, Inc., Series J, 5.5%	17,000	449,650
Wells Fargo & Co., Series Y, 5.625%	15,000	384,600
		2,076,869
Real Estate 0.7%		
Kimco Realty Corp., Series L, 5.125%	15,000	383,100

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

	Shares	Value ($)
Prologis, Inc., Series Q, 8.54%	164	10,106
Simon Property Group, Inc., Series J, 8.375%	8,000	552,080
		945,286
Total Preferred Stocks (Cost $3,144,188)		**3,171,403**

Warrants 0.0%

Materials

Hercules Trust II, Expiration Date 3/31/2029* (b) (Cost $30,284)	170	**18,782**

	Principal Amount ($) (c)	Value ($)

Corporate Bonds 23.4%

Communication Services 3.0%

	Principal Amount ($) (c)	Value ($)
America Movil SAB de CV, 4.375%, 4/22/2049 (a)	300,000	362,670
AT&T, Inc.:		
2.25%, 2/1/2032	95,000	91,800
2.75%, 6/1/2031	60,000	61,215
3.65%, 6/1/2051	100,000	103,564
CCO Holdings LLC, 144A, 4.75%, 3/1/2030	100,000	104,000
Charter Communications Operating LLC:		
2.25%, 1/15/2029	120,000	117,084
3.5%, 3/1/2042	120,000	116,387
3.7%, 4/1/2051	140,000	135,350
4.4%, 12/1/2061	100,000	103,451
CSC Holdings LLC:		
144A, 3.375%, 2/15/2031	200,000	187,250
144A, 4.125%, 12/1/2030	200,000	195,250
144A, 4.5%, 11/15/2031	200,000	197,500
Discovery Communications LLC, 4.0%, 9/15/2055	40,000	42,259
Grupo Televisa SAB, 5.25%, 5/24/2049 (a)	300,000	376,011
Match Group Holdings II LLC:		
144A, 3.625%, 10/1/2031	50,000	48,562
144A, 4.125%, 8/1/2030	175,000	176,750
Netflix, Inc.:		
4.375%, 11/15/2026	100,000	110,750
5.875%, 11/15/2028	140,000	168,350
Sirius XM Radio, Inc., 144A, 3.125%, 9/1/2026	100,000	100,029
Tencent Holdings Ltd., REG S, 2.39%, 6/3/2030 (a)	300,000	293,924
T-Mobile U.S.A., Inc.:		
2.625%, 4/15/2026	90,000	90,450
3.3%, 2/15/2051	125,000	122,081
3.375%, 4/15/2029	115,000	117,178
3.6%, 11/15/2060	25,000	24,763
4.375%, 4/15/2040	60,000	68,591
Verizon Communications, Inc.:		
2.55%, 3/21/2031 (a)	70,000	70,624
2.65%, 11/20/2040	40,000	38,009
3.7%, 3/22/2061	100,000	108,422
ViacomCBS, Inc., 4.2%, 5/19/2032	163,000	183,858
Vodafone Group PLC, 5.125%, 6/4/2081	80,000	81,800
		3,997,932

Consumer Discretionary 1.5%

	Principal Amount ($) (c)	Value ($)
1011778 BC Unlimited Liability Co., 144A, 4.375%, 1/15/2028	225,000	229,500
Carnival Corp.:		
144A, 5.75%, 3/1/2027	80,000	80,000
144A, 7.625%, 3/1/2026	97,000	101,680
Dollar General Corp., 4.125%, 4/3/2050	20,000	23,085
Ford Motor Co., 3.25%, 2/12/2032	210,000	215,040
Ford Motor Credit Co. LLC:		
2.7%, 8/10/2026	230,000	232,012
2.9%, 2/16/2028	200,000	200,500
3.625%, 6/17/2031	240,000	252,644
General Motors Co., 5.4%, 4/1/2048	60,000	76,546
General Motors Financial Co., Inc.:		
2.35%, 1/8/2031	80,000	77,873
2.7%, 6/10/2031	90,000	89,679
Hilton Domestic Operating Co., Inc.:		
144A, 3.625%, 2/15/2032	225,000	223,817
144A, 4.0%, 5/1/2031	125,000	127,818
Royal Caribbean Cruises Ltd.:		
144A, 4.25%, 7/1/2026	40,000	38,744
144A, 5.5%, 4/1/2028	50,000	50,578
		2,019,516

Consumer Staples 0.6%

	Principal Amount ($) (c)	Value ($)
Altria Group, Inc.:		
3.7%, 2/4/2051	50,000	46,606
3.875%, 9/16/2046	20,000	19,345
Anheuser-Busch InBev Worldwide, Inc.:		
4.439%, 10/6/2048	50,000	59,761
5.55%, 1/23/2049	121,000	167,399
BAT Capital Corp.:		
2.726%, 3/25/2031 (a)	60,000	58,225
3.734%, 9/25/2040	61,000	58,593
JBS Finance Luxembourg Sarl, 144A, 2.5%, 1/15/2027	260,000	257,078

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

	Principal Amount ($) (c)	Value ($)
Keurig Dr Pepper, Inc., 3.8%, 5/1/2050	15,000	16,609
Sysco Corp., 3.15%, 12/14/2051	30,000	29,528
		713,144
Energy 2.4%		
Cenovus Energy, Inc., 3.75%, 2/15/2052 (a)	60,000	60,146
Cheniere Corpus Christi Holdings LLC, 5.875%, 3/31/2025	200,000	221,660
Cheniere Energy Partners LP:		
144A, 3.25%, 1/31/2032	40,000	40,400
4.5%, 10/1/2029	175,000	185,500
DCP Midstream Operating LP, 3.25%, 2/15/2032	70,000	70,525
Ecopetrol SA, 6.875%, 4/29/2030	300,000	334,878
Energy Transfer, L.P., 5.5%, 6/1/2027	100,000	114,065
Enterprise Products Operating LLC:		
3.3%, 2/15/2053	90,000	89,513
4.2%, 1/31/2050	172,000	192,811
Hess Corp., 5.8%, 4/1/2047	70,000	89,428
MPLX LP, 2.65%, 8/15/2030	35,000	34,840
Petroleos Mexicanos, 144A, 6.7%, 2/16/2032	622,000	628,220
Plains All American Pipeline LP, 3.8%, 9/15/2030	50,000	52,212
Saudi Arabian Oil Co.:		
144A, 2.25%, 11/24/2030	625,000	607,781
REG S, 3.5%, 4/16/2029	300,000	320,625
Southwestern Energy Co., 4.75%, 2/1/2032	50,000	52,655
Williams Companies, Inc., 3.5%, 10/15/2051	50,000	50,512
		3,145,771
Financials 8.2%		
AerCap Ireland Capital DAC:		
3.0%, 10/29/2028	150,000	152,120
3.15%, 2/15/2024	150,000	154,710
3.4%, 10/29/2033	150,000	152,717
4.625%, 10/15/2027	150,000	165,931
Air Lease Corp.:		
3.0%, 2/1/2030	142,000	141,730
4.125%, Perpetual (d)	400,000	397,000
Aircastle Ltd., 144A, 5.25%, Perpetual (d)	130,000	132,600
Ally Financial, Inc., 4.7%, Perpetual (d)	500,000	518,750
American Express Co., 3.55%, Perpetual (d)	475,000	475,831
Avolon Holdings Funding Ltd.:		
144A, 2.528%, 11/18/2027	10,000	9,714
144A, 4.25%, 4/15/2026	40,000	42,388
Banco Nacional de Panama, 144A, 2.5%, 8/11/2030	200,000	187,502
Bank of America Corp.:		
2.676%, 6/19/2041	60,000	57,754
4.3%, Perpetual (d)	102,000	103,148
Bank of New York Mellon Corp., 3.75%, Perpetual (d)	525,000	526,874
Bank of Nova Scotia, 3.625%, 10/27/2081	500,000	483,020
Blackstone Secured Lending Fund:		
144A, 2.85%, 9/30/2028	110,000	107,237
3.625%, 1/15/2026	155,000	161,717
BNP Paribas SA, 144A, 4.625%, Perpetual (d)	200,000	200,600
Capital One Financial Corp., 3.95%, Perpetual (d)	350,000	351,750
Citigroup, Inc.:		
2.561%, 5/1/2032	40,000	40,207
4.0%, Perpetual (d)	700,000	705,250
HSBC Holdings PLC:		
4.0%, Perpetual (d)	240,000	238,500
4.6%, Perpetual (d)	250,000	249,795
Intesa Sanpaolo SpA:		
144A, 4.198%, 6/1/2032	325,000	327,819
144A, 4.95%, 6/1/2042	250,000	256,850
Jefferies Group LLC, 2.625%, 10/15/2031	50,000	49,178
JPMorgan Chase & Co.:		
3.328%, 4/22/2052	27,000	28,891
3.65%, Perpetual (d)	320,000	319,200
M&T Bank Corp, 3.5%, Perpetual (d)	170,000	166,566
Morgan Stanley:		
2.484%, 9/16/2036	141,000	135,776
3.217%, 4/22/2042	30,000	31,430
Natwest Group PLC, 4.6%, Perpetual (d)	230,000	225,400
OneMain Finance Corp., 3.5%, 1/15/2027	250,000	247,188
PNC Financial Services Group, Inc., 3.4%, Perpetual (d)	320,000	314,957
REC Ltd., 144A, 4.75%, 5/19/2023	200,000	207,738
Societe Generale SA, 144A, 5.375%, Perpetual (d)	250,000	262,600
Standard Chartered PLC, 144A, 4.75%, Perpetual (d)	200,000	198,500
The Charles Schwab Corp.:		
Series H, 4.0%, Perpetual (d)	125,000	126,250
Series I, 4.0%, Perpetual (a) (d)	265,000	270,300
The Goldman Sachs Group, Inc.:		
2.908%, 7/21/2042	80,000	79,536

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

	Principal Amount ($) (c)	Value ($)
3.8%, Perpetual (d)	325,000	323,375
Truist Financial Corp., 4.8%, Perpetual (d)	300,000	312,750
U.S. Bancorp., 3.7%, Perpetual (d)	402,000	401,920
UBS Group AG, 144A, 4.375%, Perpetual (d)	200,000	197,560
Wells Fargo & Co., 3.9%, Perpetual (d)	265,000	272,288
Westpac Banking Corp., 5.0%, Perpetual (d)	200,000	208,214
		10,721,131
Health Care 1.7%		
Bausch Health Companies, Inc., 144A, 4.875%, 6/1/2028	90,000	91,800
Centene Corp.:		
2.45%, 7/15/2028	60,000	59,100
2.625%, 8/1/2031	130,000	127,400
Charles River Laboratories International, Inc., 144A, 3.75%, 3/15/2029	300,000	303,000
CVS Health Corp., 5.05%, 3/25/2048	175,000	228,802
DaVita, Inc., 144A, 4.625%, 6/1/2030	140,000	143,325
HCA, Inc., 5.25%, 6/15/2026	300,000	337,372
Mozart Debt Merger Sub, Inc., 144A, 3.875%, 4/1/2029	110,000	109,612
Teva Pharmaceutical Finance Netherlands III BV, 3.15%, 10/1/2026	925,000	869,500
		2,269,911
Industrials 1.2%		
Adani Ports & Special Economic Zone Ltd., 144A, 4.2%, 8/4/2027	200,000	207,523
American Airlines, Inc., 144A, 5.5%, 4/20/2026	105,000	109,187
Boeing Co.:		
2.196%, 2/4/2026	237,000	236,943
5.04%, 5/1/2027	60,000	67,560
Delta Air Lines, Inc.:		
3.75%, 10/28/2029 (a)	135,000	138,354
144A, 4.5%, 10/20/2025	30,000	31,530
GFL Environmental, Inc., 144A, 4.0%, 8/1/2028 (a)	150,000	147,000
Mileage Plus Holdings LLC, 144A, 6.5%, 6/20/2027	200,000	213,500
Prime Security Services Borrower LLC, 144A, 5.25%, 4/15/2024	405,000	430,979
		1,582,576
Information Technology 1.1%		
Block, Inc.:		
144A, 2.75%, 6/1/2026	30,000	30,036
144A, 3.5%, 6/1/2031	70,000	71,750
Broadcom, Inc.:		
144A, 2.6%, 2/15/2033	70,000	68,243
144A, 3.187%, 11/15/2036	70,000	69,878
Dell International LLC:		
144A, 3.45%, 12/15/2051	150,000	144,016
8.35%, 7/15/2046	15,000	24,938
Micron Technology, Inc., 3.477%, 11/1/2051	40,000	40,949
MSCI, Inc.:		
144A, 3.25%, 8/15/2033	40,000	40,450
144A, 3.625%, 9/1/2030	90,000	92,025
NXP BV:		
144A, 3.125%, 2/15/2042	60,000	60,371
144A, 3.25%, 11/30/2051	30,000	29,980
Open Text Corp., 144A, 3.875%, 2/15/2028	250,000	254,812
Oracle Corp.:		
3.6%, 4/1/2050	25,000	24,478
3.65%, 3/25/2041	150,000	151,670
SK Hynix, Inc., 144A, 1.5%, 1/19/2026	200,000	195,618
Twilio, Inc., 3.625%, 3/15/2029	160,000	161,413
		1,460,627
Materials 1.0%		
AngloGold Ashanti Holdings PLC, 3.75%, 10/1/2030	200,000	201,396
Berry Global, Inc., 1.65%, 1/15/2027	300,000	293,069
Glencore Funding LLC, 144A, 3.875%, 4/27/2051 (a)	70,000	73,123
MEGlobal Canada ULC, 144A, 5.0%, 5/18/2025	256,000	279,158
Newmont Corp., 2.6%, 7/15/2032	130,000	130,278
Novelis Corp., 144A, 4.75%, 1/30/2030	250,000	262,813
Suzano Austria GmbH, 2.5%, 9/15/2028	80,000	77,200
		1,317,037
Real Estate 0.6%		
American Tower Corp., (REIT), 2.95%, 1/15/2051	35,000	33,153
Boston Properties LP, (REIT), 2.55%, 4/1/2032	75,000	74,439
Crown Castle International Corp., (REIT), 2.9%, 4/1/2041	120,000	116,703
Equinix, Inc., (REIT), 2.15%, 7/15/2030	34,000	33,051

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

		Principal Amount ($) (c)	Value ($)
MPT Operating Partnership LP, (REIT), 3.5%, 3/15/2031		195,000	197,194
SBA Communications Corp., 144A, (REIT), 3.125%, 2/1/2029		400,000	384,000
			838,540
Utilities 2.1%			
CMS Energy Corp., 3.75%, 12/1/2050		400,000	393,000
Duke Energy Corp., 3.25%, 1/15/2082		250,000	243,675
Edison International, 5.0%, Perpetual (d)		340,000	347,412
Eskom Holdings SOC Ltd., REG S, 6.35%, 8/10/2028		200,000	215,500
NextEra Energy Operating Partners LP:			
144A, 3.875%, 10/15/2026		190,000	201,210
144A, 4.25%, 7/15/2024		275,000	285,656
Pacific Gas and Electric Co.:			
2.5%, 2/1/2031		20,000	19,051
3.25%, 6/1/2031		80,000	80,264
3.3%, 8/1/2040		70,000	64,891
3.5%, 8/1/2050		25,000	23,159
Perusahaan Listrik Negara PT, 144A, 2.875%, 10/25/2025	EUR	260,000	314,689
Sempra Energy, 4.125%, 4/1/2052		310,000	313,933
Southern Co., 3.75%, 9/15/2051		215,000	215,000
			2,717,440
Total Corporate Bonds (Cost $30,588,348)			**30,783,625**

Asset-Backed 2.8%

	Principal Amount ($) (c)	Value ($)
Automobile Receivables 0.4%		
Avis Budget Rental Car Funding AESOP LLC, "C", Series 2019-1A, 144A, 4.53%, 3/20/2023	50,000	50,235
JPMorgan Chase Bank NA, "E", Series 2021-1, 144A, 2.365%, 9/25/2028	405,451	403,892
		454,127
Credit Card Receivables 0.6%		
Fair Square Issuance Trust, "A", Series 2020-AA, 144A, 2.9%, 9/20/2024	800,000	**801,062**
Miscellaneous 1.8%		
CF Hippolyta LLC, "B1", Series 2021-1A, 144A, 1.98%, 3/15/2061	532,407	524,470
DB Master Finance LLC, "A23", Series 2021-1A, 144A, 2.791%, 11/20/2051	1,125,000	1,122,156
Domino's Pizza Master Issuer LLC, "A23", Series 2017-1A, 144A, 4.118%, 7/25/2047	327,250	342,455
Wendy's Funding LLC, "A2II", Series 2021-1A, 144A, 2.775%, 6/15/2051	419,890	418,869
		2,407,950
Total Asset-Backed (Cost $3,659,962)		**3,663,139**

Mortgage-Backed Securities Pass-Throughs 0.0%

	Principal Amount ($) (c)	Value ($)
Federal Home Loan Mortgage Corp., 6.0%, 3/1/2038	1,721	1,992
Federal National Mortgage Association:		
4.5%, 9/1/2035	2,976	3,288
6.0%, 1/1/2024	2,118	2,183
Total Mortgage-Backed Securities Pass-Throughs (Cost $6,723)		**7,463**

Commercial Mortgage-Backed Securities 1.6%

	Principal Amount ($) (c)	Value ($)
Citigroup Commercial Mortgage Trust, "D", Series 2019-PRM, 144A, 4.35%, 5/10/2036	500,000	516,331
Credit Suisse Commercial Mortgage Trust, "B", Series 2020-TMIC, 144A, 1-month USD-LIBOR + 5.0%, 5.25% (e), 12/15/2035	700,000	713,165
Freddie Mac Multifamily Structured Credit Risk, "M2", Series 2021-MN1, 144A, 30-day average SOFR + 3.75%, 3.8% (e), 1/25/2051	194,000	199,054
GMAC Commercial Mortgage Securities, Inc., "G", Series 2004-C1, 144A, 5.455%, 3/10/2038	394,448	241,982

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

	Principal Amount ($) (c)	Value ($)
MTRO Commercial Mortgage Trust, "C", Series 2019-TECH, 144A, 1-month USD-LIBOR + 1.3%, 1.41% (e), 12/15/2033	250,000	244,463
Multifamily Connecticut Avenue Securities Trust, "M7", Series 2019-01, 144A, 1-month USD-LIBOR + 1.7%, 1.802% (e), 10/15/2049	185,374	184,653
Total Commercial Mortgage-Backed Securities (Cost $2,241,287)		**2,099,648**

Collateralized Mortgage Obligations 1.7%

	Principal Amount ($) (c)	Value ($)
Connecticut Avenue Securities Trust:		
"1M2", Series 2019-R03, 144A, 1-month USD-LIBOR + 2.15%, 2.253% (e), 9/25/2031	28,143	28,251
"1M2", Series 2019-R02, 144A, 1-month USD-LIBOR + 2.3%, 2.403% (e), 8/25/2031	40,861	41,030
Fannie Mae Connecticut Avenue Securities:		
"1M2", Series 2018-C06, 1-month USD-LIBOR + 2.0%, 2.103% (e), 3/25/2031	102,459	103,247
"1M2", Series 2018-C01, 1-month USD-LIBOR + 2.25%, 2.353% (e), 7/25/2030	121,134	122,502
Federal National Mortgage Association, "I", Series 2003-84, Interest Only, 6.0%, 9/25/2033	64,162	12,262
Freddie Mac Structured Agency Credit Risk Debt Notes:		
"M2", Series 2020-DNA2, 144A, 1-month USD-LIBOR + 1.85%, 1.953% (e), 2/25/2050	698,641	701,052
"M2", Series 2019-DNA3, 144A, 1-month USD-LIBOR + 2.05%, 2.153% (e), 7/25/2049	260,254	262,023
"M2", Series 2019-DNA2, 144A, 1-month USD-LIBOR + 2.45%, 2.553% (e), 3/25/2049	367,855	371,601
"M2", Series 2019-DNA1, 144A, 1-month USD-LIBOR + 2.65%, 2.753% (e), 1/25/2049	53,202	53,836
JPMorgan Mortgage Trust, "AM", Series 2016-3, 144A, 3.249% (e), 10/25/2046	188,054	186,966
STACR Trust, "M2", Series 2018-DNA3, 144A, 1-month USD-LIBOR + 2.1%, 2.203% (e), 9/25/2048	324,324	327,905
Total Collateralized Mortgage Obligations (Cost $2,189,382)		**2,210,675**

Government & Agency Obligations 1.0%

Sovereign Bonds

	Principal Amount ($) (c)	Value ($)
Brazilian Government International Bond, 3.875%, 6/12/2030	200,000	194,000
Indonesia Government International Bond:		
2.85%, 2/14/2030	625,000	651,140
3.85%, 10/15/2030 (a)	300,000	337,231
Perusahaan Penerbit SBSN Indonesia III, 144A, 2.8%, 6/23/2030 (a)	200,000	206,170
Total Government & Agency Obligations (Cost $1,422,570)		**1,388,541**

Short-Term U.S. Treasury Obligation 1.3%

	Principal Amount ($) (c)	Value ($)
U.S. Treasury Bills, 0.058% (f), 5/19/2022 (g) (h) (Cost $1,699,658)	1,700,000	**1,699,372**

	Shares	Value ($)
Exchange-Traded Funds 2.8%		
SPDR Bloomberg Convertible Securities ETF (Cost $2,340,555)	43,880	**3,640,285**
Securities Lending Collateral 3.1%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (i) (j) (Cost $4,062,127)	4,062,127	**4,062,127**
Cash Equivalents 1.5%		
DWS Central Cash Management Government Fund, 0.05% (i) (Cost $1,914,561)	1,914,561	**1,914,561**

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

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $112,926,818)	102.7	**134,951,903**
Other Assets and Liabilities, Net	(2.7)	**(3,559,876)**
Net Assets	100.0	**131,392,027**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 3.1%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (i) (j)								
693,562	3,368,565 (k)	—	—	—	6,563	—	4,062,127	4,062,127
Cash Equivalents 1.5%								
DWS Central Cash Management Government Fund, 0.05% (i)								
2,394,743	43,735,759	44,215,941	—	—	949	—	1,914,561	1,914,561
3,088,305	**47,104,324**	**44,215,941**	**—**	**—**	**7,512**	**—**	**5,976,688**	**5,976,688**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $3,951,544, which is 3.0% 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) Variable or floating rate security. These securities are shown at their current rate as of December 31, 2021. For securities based on a published reference rate and spread, the reference rate and spread are indicated within the description above. Certain variable rate securities are not based on a published reference rate and spread but adjust periodically based on current market conditions, prepayment of underlying positions and/or other variables. Securities with a floor or ceiling feature are disclosed at the inherent rate, where applicable.

(f) Annualized yield at time of purchase; not a coupon rate.

(g) At December 31, 2021, this security has been pledged, in whole or in part, to cover initial margin requirements for open centrally cleared swap contracts.

(h) At December 31, 2021, this security has been pledged, in whole or in part, to cover initial margin requirements for open futures contracts.

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

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

(k) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

ADR: American Depositary Receipt

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.

MSCI: Morgan Stanley Capital International

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

S&P: Standard & Poor's

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

SOC: State Owned Company

SOFR: Secured Overnight Financing Rate

SPDR: Standard & Poor's Depositary Receipt

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

LIBOR: London Interbank Offered Rate, the benchmark rate for certain floating rate securities, was partially phased out at the end of 2021, with the US Dollar LIBOR phase out continuing until June of 2023 at the latest for certain existing contracts. The Fund or the instruments in which the Fund invests may be adversely affected by the phase out by, among other things, increased volatility or illiquidity. There remains uncertainty regarding the future use of LIBOR and the nature of any replacement reference rate and, accordingly, it is difficult to predict the impact to the Fund of the transition away from LIBOR.

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, 2021, open futures contracts purchased were as follows:

Futures	Currency	Expiration Date	Contracts	Notional Amount ($)	Notional Value ($)	Unrealized Appreciation ($)
MSCI E-Mini Emerging Market Index	USD	3/18/2022	79	4,800,279	4,843,885	43,606
Ultra Long U.S. Treasury Bond	USD	3/22/2022	24	4,655,854	4,731,000	75,146
Total unrealized appreciation						**118,752**

At December 31, 2021, open futures contracts sold were as follows:

Futures	Currency	Expiration Date	Contracts	Notional Amount ($)	Notional Value ($)	Unrealized Appreciation/ (Depreciation) ($)
5 Year U.S. Treasury Note	USD	3/31/2022	29	3,519,303	3,508,320	10,983
Euro Stoxx 50 Index	EUR	3/18/2022	24	1,137,179	1,171,516	(34,337)
Euro-Schatz	EUR	3/8/2022	45	5,747,699	5,739,576	8,123
S&P 500 E-Mini Index	USD	3/18/2022	18	4,193,962	4,282,650	(88,688)
TOPIX Index	JPY	3/10/2022	4	680,178	692,689	(12,511)
Ultra 10 Year U.S. Treasury Note	USD	3/22/2022	17	2,501,199	2,489,437	11,762
Total net unrealized depreciation						**(104,668)**

At December 31, 2021, 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) ($)	Unrealized Appreciation/ (Depreciation) ($)
Fixed — 0.25% Semi-Annually	Floating — 3-Month LIBOR Quarterly β	3/16/2021/ 3/16/2023	3,200,000	USD	12,049	183	11,866
Fixed — 0.45% Semi-Annually	Floating — 3-Month LIBOR Quarterly β	3/16/2021/ 3/16/2024	2,100,000	USD	22,242	(37)	22,279
Fixed — 1.3% Semi-Annually	Floating — 3-Month LIBOR Quarterly β	3/16/2021/ 3/16/2028	400,000	USD	1,291	84	1,207
Fixed — 1.63% Semi-Annually	Floating — 3-Month LIBOR Quarterly β	3/16/2021/ 3/16/2031	300,000	USD	(4,010)	329	(4,339)
Total net unrealized appreciation							**31,013**

β 3-month LIBOR rate as of December 31, 2021 is 0.209%.

At December 31, 2021, the Fund had the following open forward foreign currency contracts:

Contracts to Deliver		In Exchange For		Settlement Date	Unrealized Appreciation ($)	Counterparty
EUR	170,000	USD	196,775	2/4/2022	**3,110**	State Street Bank and Trust

Currency Abbreviation(s)

EUR Euro
JPY Japanese Yen
USD United States Dollar

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

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, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Common Stocks				
Communication Services	$ 4,686,171	$ 2,721,735	$ —	$ 7,407,906
Consumer Discretionary	5,100,030	1,878,389	—	6,978,419
Consumer Staples	3,051,303	1,897,361	—	4,948,664
Energy	2,326,562	964,073	—	3,290,635
Financials	6,299,288	6,831,783	—	13,131,071
Health Care	4,795,489	3,562,010	—	8,357,499
Industrials	2,534,778	2,902,753	—	5,437,531
Information Technology	19,983,569	1,660,741	—	21,644,310
Materials	1,523,606	2,060,418	—	3,584,024
Real Estate	1,841,615	382,793	—	2,224,408
Utilities	1,399,421	1,888,394	—	3,287,815
Preferred Stocks (a)	3,022,155	149,248	—	3,171,403
Warrants	—	—	18,782	18,782
Corporate Bonds (a)	—	30,783,625	—	30,783,625
Asset-Backed (a)	—	3,663,139	—	3,663,139
Mortgage-Backed Securities Pass-Throughs	—	7,463	—	7,463
Commercial Mortgage-Backed Securities	—	2,099,648	—	2,099,648
Collateralized Mortgage Obligations	—	2,210,675	—	2,210,675
Government & Agency Obligations	—	1,388,541	—	1,388,541
Short-Term U.S. Treasury Obligation	—	1,699,372	—	1,699,372
Exchange-Traded Funds	3,640,285	—	—	3,640,285
Short-Term Investments (a)	5,976,688	—	—	5,976,688
Derivatives (b)				
Futures Contracts	149,620	—	—	149,620
Interest Rate Swap Contracts	—	35,352	—	35,352
Forward Foreign Currency Contracts	—	3,110	—	3,110
Total	**$66,330,580**	**$68,790,623**	**$18,782**	**$135,139,985**

Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives (b)				
Futures Contracts	$ (135,536)	$ —	$ —	$ (135,536)
Interest Rate Swap Contracts	—	(4,339)	—	(4,339)
Total	**$ (135,536)**	**$ (4,339)**	**$ —**	**$ (139,875)**

(a) See Investment Portfolio for additional detailed categorizations.

(b) 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, 2021

Assets	
Investments in non-affiliated securities, at value (cost $106,950,130) — including $3,951,544 of securities loaned	$ 128,975,215
Investment in DWS Government & Agency Securities Portfolio (cost $4,062,127)*	4,062,127
Investment in DWS Central Cash Management Government Fund (cost $1,914,561)	1,914,561
Cash	23,884
Foreign currency, at value (cost $122,405)	124,348
Receivable for Fund shares sold	126,608
Dividends receivable	125,704
Interest receivable	269,089
Receivable for variation margin on futures contracts	14,806
Unrealized appreciation on forward foreign currency contracts	3,110
Foreign taxes recoverable	81,484
Other assets	2,668
Total assets	135,723,604
Liabilities	
Payable upon return of securities loaned	4,062,127
Payable for Fund shares redeemed	85,454
Payable for variation margin on centrally cleared swaps	1,198
Accrued management fee	40,887
Accrued Trustees' fees	1,218
Other accrued expenses and payables	140,693
Total liabilities	4,331,577
Net assets, at value	**$ 131,392,027**
Net Assets Consist of	
Distributable earnings (loss)	34,517,777
Paid-in capital	96,874,250
Net assets, at value	**$ 131,392,027**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($131,378,561 ÷ 4,905,426 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	$ **26.78**
Class B	
Net Asset Value, offering and redemption price per share ($13,466 ÷ 504 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)**	$ **26.70**

* Represents collateral on securities loaned.

** Net asset value and redemption price per share may not recalculate due to rounding of net assets and/or shares outstanding.

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

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $123,326)	$ 2,510,635
Interest	1,347,557
Income distributions — DWS Central Cash Management Government Fund	949
Securities lending income, net of borrower rebates	6,563
Total income	3,865,704
Expenses:	
Management fee	481,375
Administration fee	126,198
Services to shareholders	840
Distribution service fee (Class B)	32
Custodian fee	18,377
Audit fee	75,140
Legal fees	13,752
Tax fees	9,692
Reports to shareholders	42,308
Trustees' fees and expenses	4,836
Other	19,758
Total expenses before expense reductions	792,308
Expense reductions	(12)
Total expenses after expense reductions	792,296
Net investment income	**3,073,408**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	10,546,423
Swap contracts	(152,156)
Futures	(572,514)
Forward foreign currency contracts	(15,476)
Foreign currency	4,202
Payments by affiliates (see Note G)	79
	9,810,558
Change in net unrealized appreciation (depreciation) on:	
Investments	156,503
Swap contracts	191,137
Futures	96,242
Forward foreign currency contracts	41,747
Foreign currency	69,210
	554,839
Net gain (loss)	**10,365,397**
Net increase (decrease) in net assets resulting from operations	**$13,438,805**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 3,073,408	$ 2,995,370
Net realized gain (loss)	9,810,558	1,789,241
Change in net unrealized appreciation (depreciation)	554,839	4,431,654
Net increase (decrease) in net assets resulting from operations	13,438,805	9,216,265
Distributions to shareholders:		
Class A	(4,841,632)	(6,579,884)
Class B	(443)	(575)
Total distributions	(4,842,075)	(6,580,459)
Fund share transactions:		
Class A		
Proceeds from shares sold	7,428,971	2,458,485
Reinvestment of distributions	4,841,632	6,579,884
Payments for shares redeemed	(16,230,213)	(14,768,561)
Net increase (decrease) in net assets from Class A share transactions	(3,959,610)	(5,730,192)
Class B		
Reinvestment of distributions	443	575
Net increase (decrease) in net assets from Class B share transactions	443	575
Increase (decrease) in net assets	4,637,563	(3,093,811)
Net assets at beginning of period	126,754,464	129,848,275
Net assets at end of period	**$131,392,027**	**$126,754,464**

Other Information		
Class A		
Shares outstanding at beginning of period	5,056,269	5,271,275
Shares sold	282,829	106,312
Shares issued to shareholders in reinvestment of distributions	189,422	324,451
Shares redeemed	(623,094)	(645,769)
Net increase (decrease) in Class A shares	(150,843)	(215,006)
Shares outstanding at end of period	**4,905,426**	**5,056,269**
Class B		
Shares outstanding at beginning of period	487	458.6
Shares issued to shareholders in reinvestment of distributions	17	28.4
Net increase (decrease) in Class B shares	17	28.4
Shares outstanding at end of period	**504**	**487**

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

Financial Highlights

DWS Global Income Builder VIP — Class A

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$25.07**	**$24.63**	**$21.33**	**$26.56**	**$23.50**
Income (loss) from investment operations:					
Net investment income[a]	.62	.57	.69	.80	.71
Net realized and unrealized gain (loss)	2.08	1.16	3.54	(2.67)	3.10
Total from investment operations	2.70	1.73	4.23	(1.87)	3.81
Less distributions from:					
Net investment income	(.62)	(.74)	(.90)	(.98)	(.75)
Net realized gains	(.37)	(.55)	(.03)	(2.38)	—
Total distributions	(.99)	(1.29)	(.93)	(3.36)	(.75)
Net asset value, end of period	**$26.78**	**$25.07**	**$24.63**	**$21.33**	**$26.56**
Total Return (%)	10.95	8.28	20.16	(7.66)[b]	16.54
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	131	127	130	120	147
Ratio of expenses before expense reductions (%)[c]	.61	.64	.68	.69	.63
Ratio of expenses after expense reductions (%)[c]	.61	.64	.68	.68	.63
Ratio of net investment income (%)	2.36	2.51	2.96	3.34	2.85
Portfolio turnover rate (%)	104	137	182	70	122

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 Global Income Builder VIP — Class B

	Years Ended December 31, 2021	2020	2019	Period Ended 12/31/18[a]
Selected Per Share Data				
Net asset value, beginning of period	**$25.01**	**$24.61**	**$21.30**	**$22.65**
Income (loss) from investment operations:				
Net investment income[b]	.52	.50	.65	.50
Net realized and unrealized gain (loss)	2.08	1.15	3.55	(1.85)
Total from investment operations	2.60	1.65	4.20	(1.35)
Less distributions from:				
Net investment income	(.54)	(.70)	(.86)	—
Net realized gains	(.37)	(.55)	(.03)	—
Total distributions	(.91)	(1.25)	(.89)	—
Net asset value, end of period	**$26.70**	**$25.01**	**$24.61**	**$21.30**
Total Return (%)[c]	10.56	7.90	20.01	(5.96)*
Ratios to Average Net Assets and Supplemental Data				
Net assets, end of period ($ thousands)	13	12	11	9
Ratio of expenses before expense reductions (%)[d]	1.05	1.10	1.10	1.15**
Ratio of expenses after expense reductions (%)[d]	.96	.93	.86	.86**
Ratio of net investment income (%)	1.99	2.20	2.77	3.30**
Portfolio turnover rate (%)	104	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.

* Not annualized

** 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). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities and exchange-traded funds ("ETFs") are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Equity securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities or ETFs are generally categorized as Level 1. For certain international equity securities, in order to adjust for events which may occur between the close of the foreign exchanges and the close of the New York Stock Exchange, a fair valuation model may be used. This fair valuation model takes into account comparisons to the valuation of American Depository Receipts (ADRs), exchange-traded funds, futures contracts and certain indices and these securities are categorized as Level 2.

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, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan. The value of the related collateral exceeded the value of the securities loaned at period end.

Remaining Contractual Maturity of the Agreements as of December 31, 2021

	Overnight and Continuous	<30 days	Between 30 & 90 days	>90 days	Total
Securities Lending Transactions					
Common Stocks	$ 1,623,905	$ —	$ —	$ —	$ 1,623,905
Corporate Bonds	1,881,827	—	—	—	1,881,827
Government & Agency Obligations	556,395	—	—	—	556,395
Total Borrowings	**$ 4,062,127**	**$ —**	**$ —**	**$ —**	**$ 4,062,127**
Gross amount of recognized liabilities for securities lending transactions:					$ 4,062,127

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, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to investments in foreign denominated investments, forward currency contracts, futures contracts, swap contracts, certain securities sold at a loss, income received from passive foreign investment companies, the realized tax character on distributions from certain securities and premium amortization on debt securities. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 6,484,939
Undistributed long-term capital gains	$ 6,388,303
Net unrealized appreciation (depreciation) on investments	$ 21,572,287

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $113,406,188. The net unrealized appreciation for all investments based on tax cost was $21,572,287. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $23,981,200 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $2,408,913.

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

	Years Ended December 31, 2021	**2020**
Distributions from ordinary income*	$ 3,017,227	$ 4,875,936
Distributions from long-term capital gains	$ 1,824,848	$ 1,704,523

* 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. 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 premiums and discounts are amortized/accreted 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 centrally 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, 2021, 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, 2021 is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2021, the investment in interest rate swap contracts had a notional amount generally indicative of a range from $1,800,000 to $6,000,000.

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, 2021, 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, 2021. For the year ended December 31, 2021, the investment on the credit default swap contracts purchased had a total notional amount generally indicative of a range from $0 to $65,000.

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 ended December 31, 2021, 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 recognized in the Statement of Assets and Liabilities.

A summary of the open futures contracts as of December 31, 2021, is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2021, the investment in futures contracts purchased had a total notional value generally indicative of a range from approximately $9,575,000 to $13,196,000, and the investment in futures contracts sold had a total notional value generally indicative of a range from approximately $6,971,000 to $17,884,000.

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, 2021, the Fund entered into forward currency contracts in order to hedge its exposure to changes in foreign currency exchange rates on its foreign currency denominated portfolio holdings, 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, 2021, is included in the table following the Fund's Investment Portfolio. For the year ended December 31, 2021, the investment in forward currency contracts short vs. U.S. dollars had a total contract value generally indicative of a range from approximately $197,000 to $939,000, 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 $340,000.

The following tables summarize the value of the Fund's derivative instruments held as of December 31, 2021 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Assets Derivative	**Forward Contracts**	**Swap Contracts**	**Futures Contracts**	**Total**
Equity Contracts (a)	$ —	$ —	$ 43,606	$ 43,606
Interest Rate Contracts (a)	—	35,352	106,014	141,366
Foreign Exchange Contracts (b)	3,110	—	—	3,110
	$ 3,110	**$ 35,352**	**$ 149,620**	**$ 188,082**

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

(a) Includes cumulative appreciation 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.

(b) Unrealized appreciation on forward foreign currency contracts

Liability Derivative	**Swap Contracts**	**Futures Contracts**	**Total**
Equity Contracts (a)	$ —	$ (135,536)	$ (135,536)
Interest Rate Contracts (a)	(4,339)	—	(4,339)
	$ (4,339)	**$ (135,536)**	**$ (139,875)**

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

(a) 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.

Additionally, the amount of unrealized and realized gains and losses on derivative instruments recognized in Fund earnings during the year ended December 31, 2021 and the related location in the accompanying Statement of Operations is summarized in the following tables by primary underlying risk exposure:

Realized Gain (Loss)	Forward Contracts	Swap Contracts	Futures Contracts	Total
Equity Contracts (a)	$ —	$ —	$ (622,052)	$ (622,052)
Interest Rate Contracts (a)	—	(151,833)	49,538	(102,295)
Credit Contracts (a)	—	(323)	—	(323)
Foreign Exchange Contracts (a)	(15,476)	—	—	(15,476)
	$(15,476)	**$(152,156)**	**$ (572,514)**	**$ (740,146)**

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

(a) Net realized gain (loss) from forward foreign currency contracts, swap and futures contracts, respectively

Change in Net Unrealized Appreciation (Depreciation)	Forward Contracts	Swap Contracts	Futures Contracts	Total
Equity Contracts (a)	$ —	$ —	$ (43,857)	$ (43,857)
Interest Rate Contracts (a)	—	191,137	140,099	331,236
Foreign Exchange Contracts (a)	41,747	—	—	41,747
	$ 41,747	**$ 191,137**	**$ 96,242**	**$ 329,126**

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

(a) Change in net unrealized appreciation (depreciation) on forward foreign currency contracts, swap and futures contracts, respectively

As of December 31, 2021, the Fund has transactions subject to enforceable master netting agreements which govern the terms of certain transactions, and reduce the counterparty risk associated with such transactions. Master netting agreements allow a Fund to close out and net total exposure to a counterparty in the event of a deterioration in the credit quality or contractual default with respect to all of the transactions with a counterparty. As defined by the master netting agreement, the Fund may have collateral agreements with certain counterparties to mitigate risk. For financial reporting purposes the Statement of Assets and Liabilities generally shows derivatives assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting. A reconciliation of the gross amounts on the Statement of Assets and Liabilities to the net amounts by a counterparty, including any collateral exposure, is included in the following table:

Counterparty	Gross Amount of Assets Presented in the Statement of Assets and Liabilities	Financial Instruments and Derivatives Available for Offset	Collateral Received	Net Amount of Derivative Assets
State Street Bank and Trust	$ 3,110	$ —	$ —	$ 3,110

C. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $132,081,811 and $141,724,792, 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 or delegates such responsibility to the Fund's subadvisor.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million	.370%
Next $750 million	.345%
Over $1 billion	.310%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.37% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2022 (through April 30, 2022 for Class B shares), the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.71%
Class B	.96%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for Class B are $12.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $126,198, of which $10,719 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 shares. For the year ended December 31, 2021, the Distribution Service Fee was as follows:

Distribution Fee	Total Aggregated	Unpaid at December 31, 2021
Class B	$ 32	$ 3

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 573	$ 97
Class B	26	4
	$ 599	**$ 101**

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,504, of which $872 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $494.

E. Ownership of the Fund

At December 31, 2021, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 66%.

F. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

G. Payments by Affiliates

During the year ended December 31, 2021, the Advisor agreed to reimburse the Fund $79 for losses incurred on trades executed incorrectly. The amount reimbursed was less than 0.01% of the Fund's average net assets, thus having no impact on the Fund's total return.

H. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS 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, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others or by other appropriate auditing procedures where replies from others were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses **(Unaudited)**

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees 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 for Class B shares; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,026.80	$ 1,024.60
Expenses Paid per $1,000*	$ 3.01	$ 4.90

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,022.23	$ 1,020.37
Expenses Paid per $1,000*	$ 3.01	$ 4.89

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series II — DWS Global Income Builder VIP	.59%	.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 $0.37 per share from net long-term capital gains during its year ended December 31, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $7,046,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 34% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Global Income Builder VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 3rd quartile, 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 underperformed its benchmark in the one-, three- and five-year periods ended December 31, 2020.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (2nd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to a comparable DWS U.S. registered fund ("DWS Funds") and considered differences between the Fund and the comparable DWS Fund. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the

substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

VS2GIB-2 (R-025825-11 2/22)

December 31, 2021

Annual Report

Deutsche DWS Variable Series I

DWS Global Small Cap 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.

Stocks may decline in value. Smaller company stocks tend to be more volatile than medium-sized or large company stocks. Investing in foreign securities, particularly those of emerging markets, presents certain risks, such as currency fluctuations, political and economic changes, and market risks. Emerging markets tend to be more volatile and less liquid than the markets of more mature economies, and generally have less diverse and less mature economic structures and less stable political systems than those of developed countries. The Fund may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

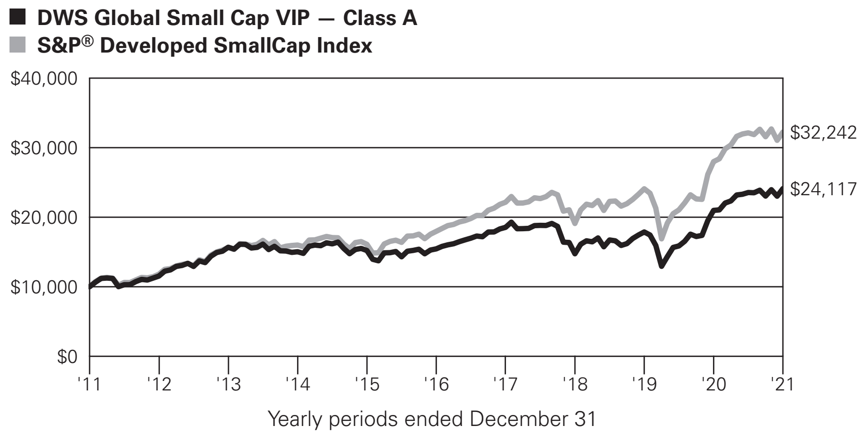
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021, are 1.10% and 1.39% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



S&P Developed SmallCap Index comprises the stocks representing the lowest 15% of float-adjusted market cap in each developed country. It is a subset of the S&P Global BMI, a comprehensive, rules-based index measuring global stock market performance.

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

Comparative Results

DWS Global Small Cap VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$11,494	$16,361	$15,610	$24,117
	Average annual total return	14.94%	17.83%	9.32%	9.20%
S&P Developed SmallCap Index	Growth of $10,000	$11,518	$16,882	$17,943	$32,242
	Average annual total return	15.18%	19.07%	12.40%	12.42%

DWS Global Small Cap VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$11,465	$16,233	$15,388	$23,479
	Average annual total return	14.65%	17.53%	9.00%	8.91%
S&P Developed SmallCap Index	Growth of $10,000	$11,518	$16,882	$17,943	$32,242
	Average annual total return	15.18%	19.07%	12.40%	12.42%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

DWS Global Small Cap VIP returned 14.94% in 2021 (Class A shares, unadjusted for contract charges) and slightly underperformed the 15.18% return of its benchmark, the S&P Developed SmallCap Index. Equities performed well in 2021 behind the combination of rising vaccination rates, improving economic growth, rising corporate earnings, and — for most of the year — accommodative central bank policies.

We adjusted the Fund's investment process in 2021. We now use a quantitative strategy to identify the most attractive stocks in the S&P Developed SmallCap Index based on fundamental factors that have been sources of excess return over time. We strive to optimize the portfolio by emphasizing stocks with the most favorable combination of individual factors, rather than relying on one factor — such as value or growth — to drive performance. We don't use a single screen to analyze the entire market. Instead, we employ specific models that encompass a wide range of industry groups and account for the different drivers of returns in each industry. A notable outcome of this change is that the Fund's weightings in both sectors and geographies have moved closer to those of the benchmark. We believe this will help limit the potential effects of factors other than individual stock selection. Our portfolio activity largely reflected the shift toward this new approach. We made changes gradually in order to minimize the impact on the portfolio.

This approach generally worked well in the period, helping the Fund provide a competitive return in relation to the benchmark. Consistent with the new strategy, stock selection — rather than sector or country allocations — were the primary driver of relative performance in 2021. The Fund generated its best results in the industrials sector. Builders Firstsource, Inc., a U.S.-based producer of building materials, was a top performer as accelerating economic growth and robust housing-market activity led to rising demand for its products. Avis Budget Group, Inc. and the Scandinavian busing company Nobina AB, which was acquired, were also top contributors in the sector.

Our stock picks in the consumer discretionary sector strongly outperformed, as well. Shares of Fox Factory Holding Corp. — which makes bicycles, off-road vehicles, and other outdoor equipment — posted a sizable gain and helped the Fund's results in the sector. Communication services was another area of strength for the Fund, primarily as a result of a position in AMC Entertainment Holdings, Inc. We initiated the investment in April, two months before the stock surged on the strength of its improving business outlook and support from social-media platforms popular with retail investors. We sold a portion of the position to lock in profits brought about by the unusual rally.

Energy proved to be the most challenging sector for the Fund in 2021. Our holdings, while producing gains as a group, finished behind the broader category. Most notably, we lost ground from a position in the offshore oilfield services company Dril-Quip, Inc. Even as the energy sector as a whole gained more than 60% on the year, shares of Dril-Quip fell due to reduced orders and higher expenses. We also underperformed in financials, where the Japanese pet insurance company Anicom Holdings, Inc. was the largest detractor. The stock declined due to the combination of increased promotional activity and higher-than-expected claims. The Fund's position in cash, while modest, was another key detractor at a time of strong returns for the index.

We had a positive view on the overall investment backdrop at the close of the period, as we think the combination of steady economic growth and improving corporate performance can help offset headwinds from inflation and other challenges. Although valuations for the broader market aren't particularly attractive, we think the global small-cap space continues to offer an abundance of opportunities to identify compelling ideas at the individual company level. Given the growing divergence in vaccination rates, economic trends, and central bank policies across countries and regions, we believe the environment remains supportive for bottom-up stock selection.

Pankaj Bhatnagar, PhD, Head of Investment Strategy Equity
Peter Barsa, Senior Portfolio Manager Equity
Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

S&P Developed SmallCap Index comprises the stocks representing the lowest 15% of float-adjusted market cap in each developed country. It is a subset of the S&P Global BMI, a comprehensive, rules-based index measuring global stock market performance.

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

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

Consumer discretionary stocks represent companies that make and market goods and services that are considered non-essential. Sub-categories within the consumer discretionary sector include retailers, media, consumer services, consumer durables & apparel, and automobiles.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	99%	94%
Cash Equivalents	1%	4%
Exchange-Traded Funds	—	2%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Exchange-Traded Funds, Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Industrials	19%	21%
Financials	14%	10%
Information Technology	13%	19%
Consumer Discretionary	13%	13%
Health Care	12%	16%
Real Estate	9%	8%
Materials	7%	6%
Consumer Staples	4%	3%
Communication Services	3%	3%
Utilities	3%	0%
Energy	3%	1%
	100%	100%

Geographical Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
United States	58%	61%
Japan	8%	10%
United Kingdom	5%	5%
Germany	4%	3%
Sweden	3%	2%
Korea	2%	1%
Canada	2%	3%
Spain	2%	2%
Italy	2%	2%
Switzerland	2%	1%
France	2%	2%
Austria	2%	2%
Luxembourg	1%	2%
Other	7%	4%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 98.8%		
Australia 0.4%		
Liontown Resources Ltd.* (Cost $258,366)	241,529	**291,703**
Austria 1.6%		
Wienerberger AG (Cost $921,227)	36,328	**1,337,518**
Belgium 0.4%		
Euronav NV (Cost $313,841)	37,166	**330,563**
Bermuda 0.9%		
Lazard Ltd. "A" (a) (Cost $345,986)	16,265	**709,642**
Canada 2.4%		
ElectraMeccanica Vehicles Corp.* (b)	102,528	233,764
Linamar Corp.	14,424	854,413
Quebecor, Inc. "B"	39,795	898,176
(Cost $1,482,622)		**1,986,353**
Denmark 0.6%		
Netcompany Group A/S 144A (Cost $543,495)	4,581	**493,458**
France 1.7%		
Alten SA	4,570	824,173
Rubis SCA	7,967	238,108
Television Francaise 1	29,700	295,336
(Cost $1,230,866)		**1,357,617**
Germany 3.8%		
AIXTRON SE	31,164	629,564
Deutz AG*	112,697	843,137
PATRIZIA AG	41,336	961,666
United Internet AG (Registered)	16,617	657,623
(Cost $2,119,650)		**3,091,990**
India 0.8%		
WNS Holdings Ltd. (ADR)* (Cost $193,879)	7,251	**639,683**
Ireland 0.7%		
Dalata Hotel Group PLC* (Cost $658,449)	129,550	**550,163**
Italy 2.3%		
Buzzi Unicem SpA	51,265	1,102,202
Moncler SpA	10,050	729,505
(Cost $1,406,181)		**1,831,707**
Japan 7.6%		
Ai Holdings Corp.	41,617	694,992
Anicom Holdings, Inc.	46,200	333,009
BML, Inc.	17,200	534,984
Furuya Metal Co., Ltd.	6,400	673,213
Kusuri No Aoki Holdings Co., Ltd.	12,158	769,622
Sawai Group Holdings Co., Ltd.	12,600	482,146
Topcon Corp.	23,400	338,027
Toyo Kanetsu KK	9,400	205,284
UT Group Co., Ltd.	31,024	1,165,792
Zenkoku Hosho Co., Ltd.	23,800	1,036,212
(Cost $4,096,361)		**6,233,281**
Korea 2.5%		
Hanmi Semiconductor Co., Ltd.*	25,984	823,975
i-SENS, Inc.	17,591	447,556
Seah Besteel Corp.*	44,172	738,829
(Cost $1,960,419)		**2,010,360**
Luxembourg 1.1%		
B&M European Value Retail SA (Cost $430,350)	101,505	**872,179**
Netherlands 0.6%		
Boskalis Westminster (Cost $535,941)	16,916	**494,300**
Norway 0.3%		
Fjordkraft Holding ASA 144A (Cost $371,495)	43,142	**234,060**
Portugal 0.3%		
REN - Redes Energeticas Nacionais SGPS SA (Cost $261,325)	92,222	**267,361**
Puerto Rico 0.6%		
Popular, Inc. (a) (Cost $463,903)	6,166	**505,859**
Singapore 0.4%		
BW LPG, Ltd. 144A (Cost $336,865)	54,731	**309,965**
Spain 2.3%		
Fluidra SA	34,068	1,361,450
Talgo SA 144A*	88,107	544,186
(Cost $1,114,368)		**1,905,636**
Sweden 3.1%		
Dometic Group AB 144A	22,461	294,975
Fingerprint Cards AB "B"* (b)	92,297	210,842
MIPS AB	2,974	389,534
Nobina AB 144A	91,569	1,083,972
Ratos AB "B"	91,259	586,487
(Cost $1,657,434)		**2,565,810**
Switzerland 1.7%		
Bachem Holding AG (Registered)	320	250,203
Julius Baer Group Ltd.	10,082	672,942
Siegfried Holding AG (Registered)	469	455,523
(Cost $1,315,740)		**1,378,668**
United Kingdom 5.1%		
Domino's Pizza Group PLC	74,516	465,924

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

	Shares	Value ($)
Drax Group PLC	108,643	891,539
Electrocomponents PLC	90,511	1,474,680
Genus PLC	4,590	306,719
Micro Focus International PLC	93,845	530,668
Softcat PLC	8,357	204,618
TechnipFMC PLC* (c)	52,253	309,338
(Cost $2,606,503)		**4,183,486**
United States 57.6%		
Advanced Drainage Systems, Inc.	3,618	492,518
Affiliated Managers Group, Inc.	4,445	731,247
Agilysys, Inc.*	9,963	442,955
Alcoa Corp.	14,278	850,683
AMC Entertainment Holdings, Inc. "A"* (b)	9,714	264,221
Americold Realty Trust (REIT)	21,223	695,902
Amicus Therapeutics, Inc.*	29,421	339,813
Amneal Pharmaceuticals, Inc.*	65,675	314,583
Anika Therapeutics, Inc.*	7,283	260,950
Armada Hoffler Properties, Inc. (REIT)	15,994	243,429
Avis Budget Group, Inc.*	3,772	782,200
Benchmark Electronics, Inc.	21,642	586,498
Builders FirstSource, Inc.*	18,554	1,590,263
CarLotz, Inc.* (b)	108,012	245,187
Casey's General Stores, Inc.	6,443	1,271,526
Cleveland-Cliffs, Inc.*	49,411	1,075,677
CNX Resources Corp.*	14,817	203,734
Crescent Energy, Inc. "A"* (b)	25,292	320,703
Delek U.S. Holdings, Inc.*	12,073	180,974
Dril-Quip, Inc.*	8,742	172,043
Ducommun, Inc.*	21,800	1,019,586
Easterly Government Properties, Inc. (REIT)	18,561	425,418
Eastern Bankshares, Inc.	32,195	649,373
EastGroup Properties, Inc. (REIT)	4,274	973,831
Envestnet, Inc.*	9,595	761,267
Essential Properties Realty Trust, Inc. (REIT)	24,757	713,744
First Financial Bankshares, Inc.	12,714	646,380
Five9, Inc.*	5,308	728,895
FNB Corp.	30,449	369,346
Four Corners Property Trust, Inc. (REIT)	28,873	849,155
Fox Factory Holding Corp.*	8,664	1,473,746
Heron Therapeutics, Inc.* (b)	22,446	204,932
Hillenbrand, Inc.	14,810	769,972
Home BancShares, Inc.	9,644	234,831
Hudson Pacific Properties, Inc. (REIT)	8,486	209,689
Jack in the Box, Inc.	6,611	578,330
Jefferies Financial Group, Inc.	35,036	1,359,397
Kronos Bio, Inc.* (b)	27,376	372,040
Lumentum Holdings, Inc.* (b)	8,748	925,276
Madison Square Garden Sports Corp.*	4,212	731,751
Masonite International Corp.* (b)	8,169	963,534
ModivCare, Inc.*	6,223	922,855
Molina Healthcare, Inc.*	4,393	1,397,325
Multiplan Corp.* (b)	62,081	275,019
National Storage Affiliates Trust (REIT)	15,303	1,058,968
New Jersey Resources Corp.	8,717	357,920
Novavax, Inc.* (b)	1,412	202,015
Option Care Health, Inc.*	24,644	700,875
Outset Medical, Inc.*	6,295	290,137
Pacira BioSciences, Inc.*	15,060	906,160
Physicians Realty Trust (REIT)	40,028	753,727
Precision BioSciences, Inc.*	32,160	237,984
Redwood Trust, Inc. (REIT)	30,567	403,179
Rush Enterprises, Inc. "A"	28,281	1,573,527
Sana Biotechnology, Inc.* (b)	14,355	222,215
Selecta Biosciences, Inc.*	47,405	154,540
Senseonics Holdings, Inc.* (b)	72,701	194,112
SJW Group	7,263	531,652
SkyWest, Inc.*	9,677	380,306
South State Corp.	13,381	1,071,952
SpartanNash Co.	8,900	229,264
Spectrum Brands Holdings, Inc.	5,161	524,977
Synovus Financial Corp.	26,456	1,266,449
Tandem Diabetes Care, Inc.*	3,297	496,264
Tenneco, Inc. "A"*	31,253	353,159
Thermon Group Holdings, Inc.*	40,418	684,277
TopBuild Corp.*	5,670	1,564,410
Varonis Systems, Inc.*	11,515	561,702
Vista Outdoor, Inc.*	6,952	320,279
Vital Farms, Inc.* (b)	12,874	232,504
WEX, Inc.*	2,214	310,823
Whiting Petroleum Corp.*	7,332	474,234
Xperi Holding Corp.	16,460	311,259
YETI Holdings, Inc.*	15,222	1,260,838
Zions Bancorp. NA	12,982	819,943
(Cost $29,799,621)		**47,070,449**
Total Common Stocks (Cost $54,424,887)		**80,651,811**

Securities Lending Collateral 4.3%

	Shares	Value ($)
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e) (Cost $3,537,256)	3,537,256	**3,537,256**

Cash Equivalents 1.0%

	Shares	Value ($)
DWS Central Cash Management Government Fund, 0.05% (d) (Cost $817,560)	817,560	**817,560**

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

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $58,779,703)	104.1	**85,006,627**
Other Assets and Liabilities, Net	(4.1)	**(3,334,253)**
Net Assets	100.0	**81,672,374**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 4.3%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e)								
1,184,652	2,352,604 (f)	—	—	—	11,906	—	3,537,256	3,537,256
Cash Equivalents 1.0%								
DWS Central Cash Management Government Fund, 0.05% (d)								
3,011,728	12,038,572	14,232,740	—	—	476	—	817,560	817,560
4,196,380	**14,391,176**	**14,232,740**	**—**	**—**	**12,382**	**—**	**4,354,816**	**4,354,816**

* Non-income producing security.

(a) Listed on the NASDAQ Stock Market, Inc.

(b) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $3,388,544, which is 4.2% of net assets.

(c) Listed on the New York Stock Exchange.

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

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

(f) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

ADR: American Depositary Receipt

REIT: Real Estate Investment Trust

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

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Common Stocks				
Australia	$ 291,703	$ —	$ —	$ 291,703
Austria	—	1,337,518	—	1,337,518
Belgium	—	330,563	—	330,563
Bermuda	709,642	—	—	709,642
Canada	1,986,353	—	—	1,986,353
Denmark	—	493,458	—	493,458
France	—	1,357,617	—	1,357,617
Germany	—	3,091,990	—	3,091,990
India	639,683	—	—	639,683
Ireland	—	550,163	—	550,163
Italy	—	1,831,707	—	1,831,707
Japan	—	6,233,281	—	6,233,281
Korea	—	2,010,360	—	2,010,360
Luxembourg	—	872,179	—	872,179
Netherlands	—	494,300	—	494,300
Norway	—	234,060	—	234,060
Portugal	—	267,361	—	267,361
Puerto Rico	505,859	—	—	505,859
Singapore	—	309,965	—	309,965
Spain	—	1,905,636	—	1,905,636
Sweden	—	2,565,810	—	2,565,810
Switzerland	—	1,378,668	—	1,378,668
United Kingdom	309,338	3,874,148	—	4,183,486
United States	47,070,449	—	—	47,070,449
Short-Term Investments (a)	4,354,816	—	—	4,354,816
Total	**$55,867,843**	**$29,138,784**	**$ —**	**$85,006,627**

(a) See Investment Portfolio for additional detailed categorizations.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $54,424,887) — including $3,388,544 of securities loaned	$ 80,651,811
Investment in DWS Government & Agency Securities Portfolio (cost $3,537,256)*	3,537,256
Investment in DWS Central Cash Management Government Fund (cost $817,560)	817,560
Foreign currency, at value (cost $28,931)	29,182
Receivable for investments sold	52,054
Receivable for Fund shares sold	132,073
Dividends receivable	97,314
Interest receivable	690
Foreign taxes recoverable	35,800
Other assets	1,674
Total assets	85,355,414
Liabilities	
Payable upon return of securities loaned	3,537,256
Payable for Fund shares redeemed	26,604
Accrued management fee	38,731
Accrued Trustees' fees	955
Other accrued expenses and payables	79,494
Total liabilities	3,683,040
Net assets, at value	**$ 81,672,374**
Net Assets Consist of	
Distributable earnings (loss)	37,831,440
Paid-in capital	43,840,934
Net assets, at value	**$ 81,672,374**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($79,170,203 ÷ 5,808,696 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 13.63**
Class B	
Net Asset Value, offering and redemption price per share ($2,502,171 ÷ 191,764 outstanding shares of beneficial interest, $.01 par value, unlimited number of shares authorized)	**$ 13.05**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $90,614)	$ 1,006,876
Income distributions — DWS Central Cash Management Government Fund	476
Securities lending income, net of borrower rebates	11,906
Total income	1,019,258
Expenses:	
Management fee	655,460
Administration fee	79,474
Services to shareholders	557
Record keeping fee (Class B)	742
Distribution service fee (Class B)	6,732
Custodian fee	10,968
Professional fees	69,130
Reports to shareholders	29,193
Trustees' fees and expenses	3,868
Other	10,980
Total expenses before expense reductions	867,104
Expense reductions	(194,433)
Total expenses after expense reductions	672,671
Net investment income	**346,587**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	13,501,514
Foreign currency	10,675
	13,512,189
Change in net unrealized appreciation (depreciation) on:	
Investments	(2,615,849)
Foreign currency	(5,717)
	(2,621,566)
Net gain (loss)	**10,890,623**
Net increase (decrease) in net assets resulting from operations	**$11,237,210**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 346,587	$ 238,619
Net realized gain (loss)	13,512,189	(1,077,595)
Change in net unrealized appreciation (depreciation)	(2,621,566)	11,994,951
Net increase (decrease) in net assets resulting from operations	11,237,210	11,155,975
Distributions to shareholders:		
Class A	(284,998)	(509,172)
Class B	(1,897)	(12,523)
Total distributions	(286,895)	(521,695)
Fund share transactions:		
Class A		
Proceeds from shares sold	4,203,449	2,748,177
Reinvestment of distributions	284,998	509,172
Payments for shares redeemed	(11,414,575)	(8,776,264)
Net increase (decrease) in net assets from Class A share transactions	(6,926,128)	(5,518,915)
Class B		
Proceeds from shares sold	86,982	152,440
Reinvestment of distributions	1,897	12,523
Payments for shares redeemed	(537,896)	(301,149)
Net increase (decrease) in net assets from Class B share transactions	(449,017)	(136,186)
Increase (decrease) in net assets	3,575,170	4,979,179
Net assets at beginning of period	78,097,204	73,118,025
Net assets at end of period	**$ 81,672,374**	**$78,097,204**

Other Information		
Class A		
Shares outstanding at beginning of period	6,344,768	6,910,961
Shares sold	320,008	293,128
Shares issued to shareholders in reinvestment of distributions	21,493	66,298
Shares redeemed	(877,573)	(925,619)
Net increase (decrease) in Class A shares	(536,072)	(566,193)
Shares outstanding at end of period	**5,808,696**	**6,344,768**
Class B		
Shares outstanding at beginning of period	227,196	238,523
Shares sold	6,834	18,334
Shares issued to shareholders in reinvestment of distributions	149	1,701
Shares redeemed	(42,415)	(31,362)
Net increase (decrease) in Class B shares	(35,432)	(11,327)
Shares outstanding at end of period	**191,764**	**227,196**

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

Financial Highlights

DWS Global Small Cap VIP — Class A

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$11.90**	**$10.24**	**$8.91**	**$12.90**	**$11.78**
Income (loss) from investment operations:					
Net investment income[a]	.06	.04	.05	.02	.00*
Net realized and unrealized gain (loss)	1.72	1.70	1.82	(2.32)	2.21
Total from investment operations	1.78	1.74	1.87	(2.30)	2.21
Less distributions from:					
Net investment income	(.05)	(.08)	—	(.04)	—
Net realized gains	—	—	(.54)	(1.65)	(1.09)
Total distributions	(.05)	(.08)	(.54)	(1.69)	(1.09)
Net asset value, end of period	**$13.63**	**$11.90**	**$10.24**	**$8.91**	**$12.90**
Total Return (%)[b]	14.94	17.36	21.29	(20.51)	20.02
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	79	76	71	63	85
Ratio of expenses before expense reductions (%)[c]	1.05	1.10	1.11	1.10	1.15
Ratio of expenses after expense reductions (%)[c]	.81	.81	.82	.78	.94
Ratio of net investment income (%)	.43	.38	.54	.21	.03
Portfolio turnover rate (%)	38	9	23	32	42

[a] Based on average shares outstanding during the period.
[b] Total return would have been lower had certain expenses not been reduced.
[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.
* Amount is less than $.005.

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

DWS Global Small Cap VIP — Class B

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$11.39**	**$9.81**	**$8.57**	**$12.47**	**$11.45**
Income (loss) from investment operations:					
Net investment income (loss)[a]	.02	.01	.03	(.01)	(.03)
Net realized and unrealized gain (loss)	1.65	1.62	1.75	(2.24)	2.14
Total from investment operations	1.67	1.63	1.78	(2.25)	2.11
Less distributions from:					
Net investment income	(.01)	(.05)	—	—	—
Net realized gains	—	—	(.54)	(1.65)	(1.09)
Total distributions	(.01)	(.05)	(.54)	(1.65)	(1.09)
Net asset value, end of period	**$13.05**	**$11.39**	**$9.81**	**$8.57**	**$12.47**
Total Return (%)[b]	14.65	16.94	21.08	(20.74)	19.60
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	3	3	2	2	3
Ratio of expenses before expense reductions (%)[c]	1.33	1.39	1.40	1.39	1.44
Ratio of expenses after expense reductions (%)[c]	1.09	1.09	1.09	1.06	1.22
Ratio of net investment income (loss) (%)	.15	.10	.27	(.08)	(.26)
Portfolio turnover rate (%)	38	9	23	32	42

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

Notes to Financial Statements

A. Organization and Significant Accounting Policies

Deutsche DWS Variable Series I (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust. The Trust consists of four diversified funds: DWS Capital Growth VIP, DWS Core Equity VIP, DWS CROCI® International VIP and DWS Global Small Cap VIP (individually or collectively hereinafter referred to as a "Fund" or the "Funds"). These financial statements report on DWS Global Small Cap VIP. The Trust is intended to be the underlying investment vehicle for variable annuity contracts and variable life insurance policies to be offered by the separate accounts of certain life insurance companies ("Participating Insurance Companies").

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities and exchange-traded funds ("ETFs") are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Equity securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities or ETFs are generally categorized as Level 1. For certain international equity securities, in order to adjust for events which may occur between the close of the foreign exchanges and the close of the New York Stock Exchange, a fair valuation model may be used. This fair valuation model takes into account comparisons to the valuation of American Depository Receipts (ADRs), exchange-traded funds, futures contracts and certain indices and these securities are categorized as Level 2.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Trustees and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Securities Lending. Brown Brothers Harriman & Co., as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash and/or U.S. Treasury Securities having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best effort to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as Common Stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements was overnight and continuous.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Taxes. The Fund is treated as a separate taxpayer as provided for in the Internal Revenue Code, as amended. It is the Fund's policy to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to the separate accounts of the Participating Insurance Companies which hold its shares.

Additionally, the Fund may be subject to taxes imposed by the governments of countries in which it invests and are generally based on income and/or capital gains earned or repatriated, a portion of which may be recoverable. Based upon the current interpretation of the tax rules and regulations, estimated tax liabilities and recoveries on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized gain/loss on investments. Tax liabilities realized as a result of security sales are reflected as a component of net realized gain/loss on investments.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to income received from passive foreign investment companies, certain securities sold at a loss and investments in limited partnerships. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 1,048,058
Undistributed long-term capital gains	$ 10,784,732
Net unrealized appreciation (depreciation) on investments	$ 25,982,605

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $59,024,022. The net unrealized appreciation for all investments based on tax cost was $25,982,605. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $29,184,417 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $3,201,812.

	Years Ended December 31,	
	2021	**2020**
Distributions from ordinary income*	$ 286,895	$ 521,695

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis net of foreign withholding taxes. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Certain dividends from foreign securities may be recorded subsequent to the ex-dividend date as soon as the Fund is informed of such dividends. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $30,243,595 and $34,039,708, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly at the annual rate (exclusive of any applicable waivers/reimbursements) of 0.80%.

For the period from January 1, 2021 through April 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.81%
Class B	1.09%

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.82%
Class B	1.10%

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.80%
Class B	1.09%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 188,011
Class B	6,422
	$ 194,433

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $79,474, of which $6,565 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 642	$ 107
Class B	187	31
	$ 829	**$ 138**

Distribution Service Agreement. DWS Distributors, Inc. ("DDI"), also an affiliate of the Advisor, is the Trust's Distributor. In accordance with the Master Distribution Plan, DDI receives 12b-1 fees of up to 0.25% of the average daily net assets of Class B shares. Pursuant to the Master Distribution Plan, DDI remits these fees to the Participating Insurance Companies for various costs incurred or paid by these companies in connection with marketing and distribution of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $6,732, of which $528 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,372, of which $420 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

D. Ownership of the Fund

At December 31, 2021, three participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 33%, 28% and 12%, respectively. Two participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 77% and 12%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series I and Shareholders of DWS Global Small Cap VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Global Small Cap VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series I) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series I) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,024.00	$ 1,022.70
Expenses Paid per $1,000*	$ 4.13	$ 5.61

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,021.12	$ 1,019.66
Expenses Paid per $1,000*	$ 4.13	$ 5.60

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series I — DWS Global Small Cap VIP	.81%	1.10%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $11,864,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 67% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Global Small Cap VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 4th quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has outperformed its benchmark in the one-year period and has underperformed its benchmark in the three- and five-year periods ended December 31, 2020. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to improve performance. The Board noted changes in the Fund's portfolio management team and management process to reflect an active systematic strategy, effective February 1, 2021. The Board observed that the Fund had experienced improved relative performance during the first seven months of 2021. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were higher than the median (4th quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (2nd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to a comparable DWS U.S. registered fund ("DWS Funds") and considered differences between the Fund and the comparable DWS Fund. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. In this regard, the Board observed that while the Fund's current investment management fee schedule does not include breakpoints, the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

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VS1glosc-2 (R-025821-11 2/22)

December 31, 2021

Annual Report

Deutsche DWS Variable Series II

DWS High Income 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 presents certain risks, such as currency fluctuations, political and economic changes, and market risks. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. The Fund may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

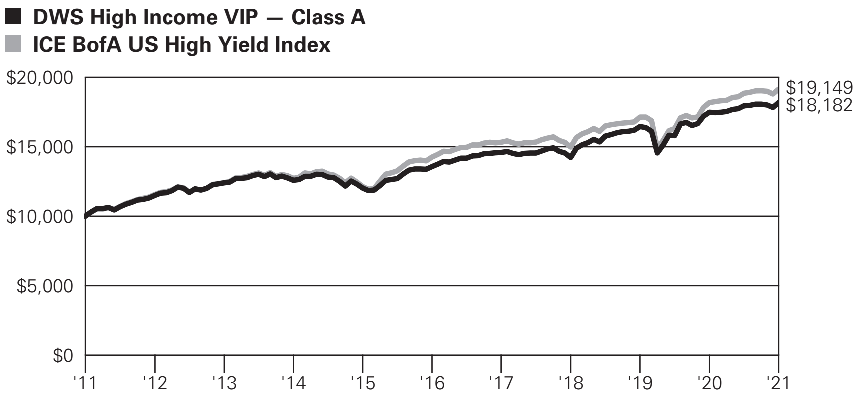
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.87% and 1.30% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



Yearly periods ended December 31

ICE BofA US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market.

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

Comparative Results

DWS High Income VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$10,400	$12,783	$13,397	$18,182
	Average annual total return	4.00%	8.53%	6.02%	6.16%
ICE BofA US High Yield Index	Growth of $10,000	$10,535	$12,785	$13,430	$19,149
	Average annual total return	5.35%	8.53%	6.08%	6.71%

DWS High Income VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$10,379	$12,661	$13,200	$17,634
	Average annual total return	3.79%	8.18%	5.71%	5.84%
ICE BofA US High Yield Index	Growth of $10,000	$10,535	$12,785	$13,430	$19,149
	Average annual total return	5.35%	8.53%	6.08%	6.71%

The growth of $10,000 is cumulative.

Management Summary **December 31, 2021 (Unaudited)**

The Fund returned 4.00% in 2021 (Class A shares, unadjusted for contract charges), underperforming the 5.35% return of its benchmark, the ICE BofA US High Yield Index.

High-yield bonds delivered strong returns over the past year. Economic conditions improved as the COVID-19 vaccines were rolled out, strengthening the credit outlook for high-yield companies. The policy backdrop was also supportive, with near-zero interest rates, continued quantitative easing, and multiple spending packages passed by the U.S. government. The rally in oil prices was another tailwind for performance, in that it enabled a larger number of high-yield energy companies to achieve profitability. This favorable environment facilitated robust new issuance, demonstrating the market's accessibility to lower-rated issuers that are seeking to refinance maturing debt or acquire capital to take advantage of opportunities as the economy recovers.

In total, these factors gave investors confidence to take on higher risk in search of more attractive yields. Yield spreads fell as a result, offsetting the adverse impact of weakness in the U.S. Treasury market. The ICE BofA US High Yield Master II Option-Adjusted Spread — which measures the difference between yields on high-yield bonds and equivalent Treasuries — moved from 386 basis points (3.86 percentage points) at the beginning of the year to 315 by December 31, 2021.

Consistent with investors' elevated appetite for risk, lower-rated bonds delivered the best performance. Bonds rated CCC and below produced the strongest returns, followed by those rated B and BB, respectively.

The Fund's focus on higher-quality debt was a key detractor at a time in which lower-rated issues outperformed. Sector allocation contributed to performance, led by overweights in the strong performing automotive and energy exploration and production sectors. However, an underweight in the food and beverage sector detracted. Security selection was a net detractor. Among individual securities, an overweight in Ford Motor Co. and Ford Motor Credit Co. LLC helped performance, but an underweight in Kraft Heinz Foods* detracted.

We retained a constructive view on the U.S. high-yield market at the close of the period. We believe the market's tight valuations can be sustained, supporting coupon-like returns and allowing for outperformance versus other fixed-income asset classes. While we anticipate that the U.S. economy will remain robust into 2022, we believe high-yield bonds may be vulnerable to a range of potentially disruptive factors. Among these are additional waves of COVID-19 variants, strained supply chains, and higher input costs in the form of elevated labor and energy prices. Legislative impasses and geopolitical issues could lead to volatility, as well. We also believe the Fed is likely to continue tightening monetary policy given the persistence of inflationary pressures. We expect the Fed will begin to reduce economic stimulus by ending its asset-purchase programs before mid-2022 and enacting at least two, and possibly more, quarter-point interest rate hikes in the coming year.

On the positive side, the robust refinancing activity by U.S. high-yield issuers in 2021 further strengthened issuer balance sheets and pushed default rates beneath long-term averages. Capital market conditions remained favorable for issuers to continue to refinance debt and extend maturities, supporting the low default rates and leading to continued rating upgrades across the U.S. high-yield universe. We view the price improvement and yield-spread compression gained from upgrades as an important component of portfolio total return. We also expect that readily accessible capital markets and healthy balance sheets could drive merger and acquisition activity, providing additional investment opportunities.

We continue to identify securities with the potential for attractive total returns. In particular, we seek issuers whose improving credit metrics could lead to ratings upgrades. We also remain on the lookout for opportunities where anticipated merger and acquisition activity could benefit the credit profiles of acquiring and target companies. Ultimately, we view credit analysis as critical for balancing risk and generating longer-term outperformance.

Gary Russell, CFA, Head of Investment Strategy Fixed Income
Thomas R. Bouchard, Senior Portfolio Manager & Team Lead Fixed Income
Lonnie Fox, Senior Portfolio Manager & Team Lead Fixed Income
Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

The **ICE BofA US High Yield Index** tracks the performance of U.S. dollar denominated below investment grade corporate debt publicly issued in the US domestic market.

Yield spread refers to differences between yields on differing debt instruments, calculated by deducting the yield of one instrument from another. The higher the yield spread, the greater the difference between the yields offered by each instrument.

The **ICE BofA US High Yield Option-Adjusted Spread** (OAS) calculates the spread between a computed OAS index of bonds that are below investment grade (those rated BB or below) and a spot Treasury curve.

Credit quality measures a bond issuer's ability to repay interest and principal in a timely manner. Rating agencies assign letter designations, such as AAA, AA and so forth. The lower the rating, the higher the probability of default. Credit quality does not remove market risk and is subject to change.

Overweight means a fund holds a higher weighting in a given sector or individual security compared with its benchmark index; **underweight** means a fund holds a lower weighting.

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

A **default** occurs when an issuer fails to make an interest or principal payment on a bond. The **default rate** is the percentage of issuers that default in a given year.

* Not held at December 31, 2021.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Corporate Bonds	93%	98%
Cash Equivalents	6%	1%
Loan Participations and Assignments	1%	1%
Warrants	0%	0%
Common Stocks	0%	0%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Consumer Discretionary	20%	22%
Energy	19%	13%
Industrials	14%	10%
Communication Services	14%	19%
Health Care	10%	8%
Materials	9%	11%
Real Estate	5%	5%
Utilities	4%	4%
Consumer Staples	2%	4%
Financials	2%	2%
Information Technology	1%	2%
	100%	100%

Quality (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
AA	0%	—
BBB	7%	4%
BB	56%	61%
B	30%	30%
CCC	7%	5%
C	0%	—
Not Rated	0%	0%
	100%	100%

The quality ratings represent the higher of Moody's Investors Service, Inc. ("Moody's"), Fitch Ratings, Inc. ("Fitch") or S&P Global Ratings ("S&P") credit ratings. The ratings of Moody's, Fitch and S&P represent their opinions as to the quality of the securities they rate. Credit quality measures a bond issuer's ability to repay interest and principal in a timely manner. Ratings are relative and subjective and are not absolute standards of quality. Credit quality does not remove market risk and is subject to change.

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 7.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

	Principal Amount ($)(a)	Value ($)
Corporate Bonds 92.6%		
Communication Services 12.7%		
Altice France Holding SA:		
144A, 6.0%, 2/15/2028	200,000	191,000
144A, 10.5%, 5/15/2027	200,000	215,000
Altice France SA:		
144A, 5.5%, 1/15/2028	200,000	198,482
144A, 8.125%, 2/1/2027	200,000	213,750
Audacy Capital Corp.:		
144A, 6.5%, 5/1/2027	75,000	74,190
144A, 6.75%, 3/31/2029 (b)	55,000	53,733
CCO Holdings LLC:		
144A, 4.25%, 1/15/2034	20,000	19,677
144A, 4.5%, 8/15/2030	125,000	127,899
144A, 4.75%, 3/1/2030	140,000	145,600
144A, 5.0%, 2/1/2028	150,000	156,000
144A, 5.125%, 5/1/2027	275,000	283,250
Clear Channel Outdoor Holdings, Inc., 144A, 7.5%, 6/1/2029	80,000	85,400
Clear Channel Worldwide Holdings, Inc., 144A, 5.125%, 8/15/2027	320,000	331,123
CommScope Technologies LLC:		
144A, 5.0%, 3/15/2027 (b)	75,000	70,125
144A, 6.0%, 6/15/2025	55,000	55,000
CommScope, Inc., 144A, 8.25%, 3/1/2027	130,000	133,600
Consolidated Communications, Inc., 144A, 6.5%, 10/1/2028	155,000	164,300
CSC Holdings LLC:		
144A, 5.75%, 1/15/2030	200,000	199,250
144A, 6.5%, 2/1/2029	200,000	214,000
Directv Financing LLC, 144A, 5.875%, 8/15/2027	125,000	127,964
DISH DBS Corp.:		
5.875%, 11/15/2024	96,000	98,617
7.375%, 7/1/2028 (b)	50,000	50,625
7.75%, 7/1/2026	90,000	94,950
Frontier Communications Holdings LLC:		
144A, 5.0%, 5/1/2028	165,000	169,950
144A, 5.875%, 10/15/2027	75,000	79,312
144A, 6.0%, 1/15/2030 (b)	50,000	50,250
iHeartCommunications, Inc.:		
144A, 5.25%, 8/15/2027	125,000	130,012
8.375%, 5/1/2027	75,000	79,076
Iliad Holding SASU, 144A, 6.5%, 10/15/2026	200,000	210,146
Lamar Media Corp., 4.875%, 1/15/2029	80,000	83,500
LCPR Senior Secured Financing DAC, 144A, 6.75%, 10/15/2027	189,000	198,450
Outfront Media Capital LLC:		
144A, 4.25%, 1/15/2029	70,000	70,127
144A, 5.0%, 8/15/2027	140,000	143,259
Radiate Holdco LLC:		
144A, 4.5%, 9/15/2026	55,000	55,550
144A, 6.5%, 9/15/2028	100,000	100,453
Sirius XM Radio, Inc., 144A, 3.125%, 9/1/2026	110,000	110,032
Telecom Italia Capital SA, 6.375%, 11/15/2033	155,000	166,905
Uber Technologies, Inc.:		
144A, 4.5%, 8/15/2029	20,000	20,367
144A, 6.25%, 1/15/2028	25,000	26,838
144A, 7.5%, 5/15/2025	120,000	126,106
144A, 7.5%, 9/15/2027	50,000	54,415
Viasat, Inc., 144A, 5.625%, 4/15/2027	120,000	123,684
Virgin Media Secured Finance PLC, 144A, 5.5%, 5/15/2029	345,000	364,282
Vodafone Group PLC, 7.0%, 4/4/2079	185,000	223,753
Ziggo Bond Co. BV, 144A, 3.375%, 2/28/2030	EUR 370,000	410,208
Ziggo BV, 144A, 4.875%, 1/15/2030	290,000	297,424
		6,597,634
Consumer Discretionary 18.5%		
Affinity Gaming, 144A, 6.875%, 12/15/2027	160,000	166,400
American Axle & Manufacturing, Inc., 6.875%, 7/1/2028	75,000	80,879
Arko Corp., 144A, 5.125%, 11/15/2029	60,000	57,975
Bath & Body Works, Inc.:		
144A, 6.625%, 10/1/2030	70,000	79,275
6.875%, 11/1/2035	200,000	248,500
144A, 9.375%, 7/1/2025	35,000	42,700
Beacon Roofing Supply, Inc., 144A, 4.125%, 5/15/2029 (b)	30,000	29,984
Beazer Homes U.S.A., Inc., 5.875%, 10/15/2027	35,000	36,619
Boyd Gaming Corp.:		
4.75%, 12/1/2027	130,000	132,600
144A, 4.75%, 6/15/2031	90,000	91,800
144A, 8.625%, 6/1/2025	60,000	64,291
Caesars Entertainment, Inc.:		
144A, 4.625%, 10/15/2029	210,000	210,000
144A, 6.25%, 7/1/2025	270,000	283,399
144A, 8.125%, 7/1/2027	410,000	454,050
Caesars Resort Collection LLC, 144A, 5.75%, 7/1/2025	20,000	20,886

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

		Principal Amount ($)(a)	Value ($)
Carnival Corp.:			
144A, 5.75%, 3/1/2027		170,000	170,000
144A, 6.0%, 5/1/2029		30,000	29,850
144A, 7.625%, 3/1/2026		98,000	102,728
144A, 9.875%, 8/1/2027		130,000	148,553
REG S, 10.125%, 2/1/2026	EUR	100,000	128,599
144A, 10.5%, 2/1/2026		80,000	91,320
Clarios Global LP:			
144A, 4.375%, 5/15/2026	EUR	100,000	116,647
REG S, 4.375%, 5/15/2026	EUR	200,000	233,295
144A, 8.5%, 5/15/2027		55,000	58,300
Dana, Inc.:			
5.375%, 11/15/2027		55,000	57,678
5.625%, 6/15/2028		25,000	26,563
Empire Communities Corp., 144A, 7.0%, 12/15/2025		80,000	82,800
Ford Motor Co.:			
4.346%, 12/8/2026		160,000	174,520
4.75%, 1/15/2043		22,000	24,283
5.291%, 12/8/2046		68,000	79,917
Ford Motor Credit Co. LLC:			
3.375%, 11/13/2025		209,000	217,134
3.625%, 6/17/2031		240,000	252,644
5.113%, 5/3/2029		200,000	227,250
5.125%, 6/16/2025		230,000	250,125
Forestar Group, Inc., 144A, 3.85%, 5/15/2026		90,000	90,225
Foundation Building Materials, Inc., 144A, 6.0%, 3/1/2029		110,000	108,075
Hilton Grand Vacations Borrower Escrow LLC:			
144A, 4.875%, 7/1/2031		30,000	30,000
144A, 5.0%, 6/1/2029		90,000	92,250
Jaguar Land Rover Automotive PLC, 144A, 5.875%, 1/15/2028 (b)		200,000	203,500
M/I Homes, Inc., 4.95%, 2/1/2028		130,000	135,200
Macy's Retail Holdings LLC, 144A, 5.875%, 4/1/2029		145,000	154,606
MajorDrive Holdings IV LLC, 144A, 6.375%, 6/1/2029		95,000	91,912
Marriott Ownership Resorts, Inc.:			
144A, 4.5%, 6/15/2029		50,000	50,326
144A, 6.125%, 9/15/2025		75,000	78,188
Mattel, Inc.:			
144A, 3.375%, 4/1/2026		75,000	76,914
144A, 3.75%, 4/1/2029 (b)		50,000	51,813
Meritage Homes Corp., 144A, 3.875%, 4/15/2029		105,000	110,250
Michaels Companies, Inc., 144A, 7.875%, 5/1/2029 (b)		25,000	24,625
Midwest Gaming Borrower LLC, 144A, 4.875%, 5/1/2029		100,000	100,500

	Principal Amount ($)(a)	Value ($)
NCL Corp. Ltd.:		
144A, 3.625%, 12/15/2024	100,000	94,375
144A, 5.875%, 3/15/2026	250,000	248,892
NCL Finance Ltd., 144A, 6.125%, 3/15/2028	60,000	59,100
Newell Brands, Inc.:		
4.7%, 4/1/2026	440,000	479,712
6.0%, 4/1/2046	60,000	76,982
Peninsula Pacific Entertainment LLC, 144A, 8.5%, 11/15/2027	60,000	64,800
Picasso Finance Sub, Inc., 144A, 6.125%, 6/15/2025	97,000	101,365
Raptor Acquisition Corp., 144A, 4.875%, 11/1/2026	170,000	171,700
Real Hero Merger Sub 2, Inc., 144A, 6.25%, 2/1/2029	80,000	79,875
Ritchie Bros Holdings, Inc., 144A, 4.75%, 12/15/2031	10,000	10,438
Royal Caribbean Cruises Ltd.:		
3.7%, 3/15/2028	55,000	51,556
144A, 4.25%, 7/1/2026	10,000	9,686
144A, 5.5%, 8/31/2026	30,000	30,504
144A, 5.5%, 4/1/2028	110,000	111,272
144A, 9.125%, 6/15/2023	210,000	222,075
144A, 10.875%, 6/1/2023	110,000	120,176
144A, 11.5%, 6/1/2025	30,000	33,600
Scientific Games International, Inc., 144A, 7.0%, 5/15/2028	235,000	250,275
Staples, Inc., 144A, 7.5%, 4/15/2026	110,000	113,025
Taylor Morrison Communities, Inc.:		
144A, 5.125%, 8/1/2030	75,000	82,500
144A, 5.75%, 1/15/2028	170,000	189,975
Thor Industries, Inc., 144A, 4.0%, 10/15/2029	80,000	79,200
Travel & Leisure Co., 144A, 6.625%, 7/31/2026	120,000	133,061
Tri Pointe Homes, Inc.:		
5.25%, 6/1/2027	55,000	59,056
5.7%, 6/15/2028	80,000	88,000
Univar Solutions U.S.A., Inc., 144A, 5.125%, 12/1/2027	160,000	166,955
Vail Resorts, Inc., 144A, 6.25%, 5/15/2025	100,000	104,000
Viking Cruises Ltd.:		
144A, 5.875%, 9/15/2027	105,000	99,981
144A, 7.0%, 2/15/2029	90,000	90,260
Viking Ocean Cruises Ship VII Ltd., 144A, 5.625%, 2/15/2029	15,000	14,981
White Cap Parent LLC, 144A, 8.25%, 3/15/2026	75,000	76,688
Williams Scotsman International, Inc., 144A, 4.625%, 8/15/2028	60,000	61,950

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	Principal Amount ($)(a)	Value ($)
Wyndham Hotels & Resorts, Inc., 144A, 4.375%, 8/15/2028	50,000	51,500
Wynn Las Vegas LLC, 144A, 5.5%, 3/1/2025	50,000	51,500
Wynn Resorts Finance LLC, 144A, 5.125%, 10/1/2029	60,000	60,900
		9,609,863
Consumer Staples 2.0%		
Albertsons Companies, Inc.:		
144A, 4.625%, 1/15/2027	98,000	102,845
144A, 5.875%, 2/15/2028	60,000	63,600
Chobani LLC, 144A, 4.625%, 11/15/2028	30,000	30,824
Edgewell Personal Care Co., 144A, 5.5%, 6/1/2028	70,000	74,301
JBS U.S.A. LUX SA, 144A, 6.75%, 2/15/2028	235,000	253,509
Pilgrim's Pride Corp.:		
144A, 4.25%, 4/15/2031	245,000	257,250
144A, 5.875%, 9/30/2027	230,000	242,866
Post Holdings, Inc., 144A, 5.5%, 12/15/2029	20,000	21,013
		1,046,208
Energy 17.9%		
Antero Midstream Partners LP:		
144A, 5.375%, 6/15/2029	70,000	73,851
144A, 5.75%, 3/1/2027	130,000	134,712
144A, 5.75%, 1/15/2028	90,000	94,377
Antero Resources Corp.:		
144A, 5.375%, 3/1/2030	50,000	53,450
144A, 7.625%, 2/1/2029	138,000	153,180
144A, 8.375%, 7/15/2026	42,000	47,820
Apache Corp.:		
4.875%, 11/15/2027	55,000	59,950
5.1%, 9/1/2040 (b)	57,000	64,410
Archrock Partners LP:		
144A, 6.25%, 4/1/2028	220,000	229,398
144A, 6.875%, 4/1/2027	110,000	115,500
Ascent Resources Utica Holdings LLC:		
144A, 5.875%, 6/30/2029	30,000	28,866
144A, 8.25%, 12/31/2028	65,000	67,762
Buckeye Partners LP, 144A, 4.5%, 3/1/2028	80,000	80,600
Cheniere Energy Partners LP:		
144A, 3.25%, 1/31/2032	30,000	30,300
4.5%, 10/1/2029	272,000	288,320
Cheniere Energy, Inc., 4.625%, 10/15/2028	100,000	106,372
Chesapeake Energy Corp., 144A, 5.875%, 2/1/2029	75,000	80,231
CNX Resources Corp.:		
144A, 6.0%, 1/15/2029	135,000	140,400
144A, 7.25%, 3/14/2027	100,000	106,073
Colgate Energy Partners III LLC, 144A, 5.875%, 7/1/2029	170,000	175,100
Comstock Resources, Inc.:		
144A, 5.875%, 1/15/2030	30,000	30,750
144A, 6.75%, 3/1/2029	155,000	168,113
144A, 7.5%, 5/15/2025	18,000	18,563
DCP Midstream Operating LP:		
3.25%, 2/15/2032	50,000	50,375
5.125%, 5/15/2029	80,000	90,400
5.375%, 7/15/2025	367,000	400,947
5.625%, 7/15/2027	50,000	56,500
DT Midstream, Inc.:		
144A, 4.125%, 6/15/2029	155,000	158,681
144A, 4.375%, 6/15/2031	30,000	31,200
Endeavor Energy Resources LP:		
144A, 5.75%, 1/30/2028	70,000	74,612
144A, 6.625%, 7/15/2025	35,000	37,031
EQM Midstream Partners LP:		
144A, 4.5%, 1/15/2029	50,000	52,000
144A, 4.75%, 1/15/2031	75,000	79,312
5.5%, 7/15/2028	55,000	60,088
144A, 6.0%, 7/1/2025	140,000	152,250
144A, 6.5%, 7/1/2027	80,000	89,600
EQT Corp.:		
144A, 3.625%, 5/15/2031 (b)	100,000	103,750
5.0%, 1/15/2029	85,000	94,137
6.625%, 2/1/2025	105,000	118,388
7.5%, 2/1/2030	80,000	102,800
Genesis Energy LP, 7.75%, 2/1/2028	75,000	75,562
Harvest Midstream I LP, 144A, 7.5%, 9/1/2028	155,000	165,850
Hess Midstream Operations LP, 144A, 4.25%, 2/15/2030	110,000	109,175
Hilcorp Energy I LP:		
144A, 5.75%, 2/1/2029	155,000	159,762
144A, 6.0%, 2/1/2031	110,000	113,575
144A, 6.25%, 11/1/2028	35,000	36,794
Howard Midstream Energy Partners LLC, 144A, 6.75%, 1/15/2027	40,000	40,988
Murphy Oil U.S.A., Inc.:		
4.75%, 9/15/2029	55,000	57,888
5.625%, 5/1/2027	65,000	67,600
Nabors Industries, Inc., 144A, 7.375%, 5/15/2027	105,000	108,695
NuStar Logistics LP:		
5.75%, 10/1/2025	80,000	86,090
6.375%, 10/1/2030	30,000	33,300
Oasis Petroleum, Inc., 144A, 6.375%, 6/1/2026	40,000	41,900
Occidental Petroleum Corp.:		
5.5%, 12/1/2025	135,000	149,765
5.55%, 3/15/2026	105,000	116,896

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	Principal Amount ($)(a)	Value ($)
6.125%, 1/1/2031	255,000	309,825
6.45%, 9/15/2036	105,000	133,876
6.625%, 9/1/2030 (b)	225,000	278,437
8.0%, 7/15/2025	175,000	204,312
8.5%, 7/15/2027	100,000	124,750
Parkland Corp., 144A, 5.875%, 7/15/2027	80,000	84,400
Precision Drilling Corp., 144A, 6.875%, 1/15/2029	30,000	30,577
Range Resources Corp.:		
8.25%, 1/15/2029	280,000	312,200
9.25%, 2/1/2026	50,000	53,890
Rattler Midstream LP, 144A, 5.625%, 7/15/2025	75,000	78,000
Renewable Energy Group, Inc., 144A, 5.875%, 6/1/2028	60,000	61,650
Rockcliff Energy II LLC, 144A, 5.5%, 10/15/2029	30,000	30,900
SM Energy Co., 6.5%, 7/15/2028	80,000	82,800
Southwestern Energy Co.:		
4.75%, 2/1/2032	70,000	73,717
5.375%, 2/1/2029	120,000	126,900
6.45%, 1/23/2025	36,000	39,564
7.75%, 10/1/2027 (b)	100,000	107,875
8.375%, 9/15/2028	50,000	55,813
Suburban Propane Partners LP, 144A, 5.0%, 6/1/2031	60,000	60,675
Sunnova Energy Corp., 144A, 5.875%, 9/1/2026	115,000	117,300
Sunoco LP:		
4.5%, 5/15/2029	56,000	56,869
5.875%, 3/15/2028	35,000	37,013
6.0%, 4/15/2027	52,000	54,231
Superior Plus LP, 144A, 4.5%, 3/15/2029	30,000	30,835
Targa Resources Partners LP:		
4.875%, 2/1/2031	30,000	32,579
5.0%, 1/15/2028	265,000	279,230
5.5%, 3/1/2030	90,000	98,325
Transocean Poseidon Ltd., 144A, 6.875%, 2/1/2027	175,000	169,094
USA Compression Partners LP:		
6.875%, 4/1/2026	142,000	147,680
6.875%, 9/1/2027	100,000	105,625
Venture Global Calcasieu Pass LLC:		
144A, 3.875%, 11/1/2033	50,000	52,529
144A, 4.125%, 8/15/2031	30,000	31,800
Vine Energy Holdings LLC, 144A, 6.75%, 4/15/2029	330,000	358,050
Western Midstream Operating LP, 5.3%, 3/1/2048	25,000	30,125
		9,315,455

	Principal Amount ($)(a)	Value ($)
Financials 1.4%		
Navient Corp., 6.125%, 3/25/2024	393,000	419,036
OneMain Finance Corp.:		
5.375%, 11/15/2029	80,000	86,984
8.875%, 6/1/2025	50,000	53,500
Rocket Mortgage LLC, 144A, 3.625%, 3/1/2029	120,000	120,450
Sabre GLBL, Inc., 144A, 7.375%, 9/1/2025	30,000	31,350
		711,320
Health Care 9.7%		
Acadia Healthcare Co., Inc., 144A, 5.0%, 4/15/2029	250,000	256,875
AdaptHealth LLC:		
144A, 4.625%, 8/1/2029	55,000	55,000
144A, 6.125%, 8/1/2028	80,000	84,800
AHP Health Partners, Inc., 144A, 5.75%, 7/15/2029	145,000	143,550
Bausch Health Americas, Inc.:		
144A, 8.5%, 1/31/2027	195,000	204,750
144A, 9.25%, 4/1/2026	135,000	142,594
Bausch Health Companies, Inc., 144A, 6.125%, 4/15/2025	122,000	124,264
Catalent Pharma Solutions, Inc.:		
144A, 3.5%, 4/1/2030	50,000	49,858
144A, 5.0%, 7/15/2027	125,000	129,875
Centene Corp., 4.625%, 12/15/2029	275,000	296,576
Charles River Laboratories International, Inc., 144A, 3.75%, 3/15/2029	65,000	65,650
Community Health Systems, Inc.:		
144A, 4.75%, 2/15/2031	115,000	116,006
144A, 5.625%, 3/15/2027	60,000	63,500
144A, 6.0%, 1/15/2029	65,000	69,306
144A, 6.125%, 4/1/2030	50,000	49,466
144A, 6.875%, 4/15/2029	140,000	142,625
Encompass Health Corp.:		
4.5%, 2/1/2028	45,000	46,294
4.75%, 2/1/2030	137,000	141,110
Endo Luxembourg Finance Company I S.a r.l., 144A, 6.125%, 4/1/2029	70,000	68,600
HCA, Inc., 5.625%, 9/1/2028	300,000	350,547
IQVIA, Inc., 144A, 5.0%, 5/15/2027	220,000	227,766
Legacy LifePoint Health LLC, 144A, 4.375%, 2/15/2027	75,000	75,563
LifePoint Health, Inc., 144A, 5.375%, 1/15/2029	225,000	223,875
Molina Healthcare, Inc.:		
144A, 3.875%, 11/15/2030	75,000	77,812
144A, 4.375%, 6/15/2028	100,000	103,000

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	Principal Amount ($)(a)	Value ($)
Mozart Debt Merger Sub, Inc.:		
144A, 3.875%, 4/1/2029	40,000	39,859
144A, 5.25%, 10/1/2029 (b)	130,000	131,773
Option Care Health, Inc., 144A, 4.375%, 10/31/2029	130,000	130,325
Organon & Co, 144A, 4.125%, 4/30/2028	200,000	203,250
Owens & Minor, Inc., 144A, 4.5%, 3/31/2029 (b)	55,000	56,375
Prestige Brands, Inc., 144A, 5.125%, 1/15/2028	90,000	93,712
Prime Healthcare Services, Inc., 144A, 7.25%, 11/1/2025	70,000	74,200
RegionalCare Hospital Partners Holdings, Inc., 144A, 9.75%, 12/1/2026	60,000	63,402
Select Medical Corp., 144A, 6.25%, 8/15/2026	125,000	132,406
Syneos Health, Inc., 144A, 3.625%, 1/15/2029	100,000	98,750
Tenet Healthcare Corp.:		
144A, 4.25%, 6/1/2029	90,000	91,394
4.625%, 7/15/2024	21,000	21,263
144A, 4.875%, 1/1/2026	190,000	195,155
144A, 5.125%, 11/1/2027	150,000	156,187
144A, 6.125%, 10/1/2028	85,000	89,778
144A, 6.25%, 2/1/2027	75,000	77,625
144A, 7.5%, 4/1/2025	50,000	52,623
		5,017,339
Industrials 12.5%		
ADT Security Corp., 144A, 4.875%, 7/15/2032	50,000	51,050
Allied Universal Holdco LLC, 144A, 6.0%, 6/1/2029 (b)	200,000	194,500
American Airlines, Inc.:		
144A, 5.5%, 4/20/2026	275,000	285,966
144A, 5.75%, 4/20/2029	135,000	144,277
144A, 11.75%, 7/15/2025	120,000	148,050
ATS Automation Tooling Systems, Inc., 144A, 4.125%, 12/15/2028	30,000	30,225
Bombardier, Inc.:		
144A, 6.0%, 2/15/2028 (b)	200,000	200,606
144A, 7.5%, 3/15/2025	95,000	96,781
Brundage-Bone Concrete Pumping Holdings, Inc., 144A, 6.0%, 2/1/2026	55,000	57,200
Builders FirstSource, Inc., 144A, 4.25%, 2/1/2032	80,000	82,816
Cargo Aircraft Management, Inc., 144A, 4.75%, 2/1/2028	100,000	101,772
Cimpress PLC, 144A, 7.0%, 6/15/2026	150,000	155,812
Clark Equipment Co., 144A, 5.875%, 6/1/2025	55,000	57,131
Covanta Holding Corp., 5.0%, 9/1/2030	100,000	102,000

	Principal Amount ($)(a)	Value ($)
Covert Mergeco, Inc., 144A, 4.875%, 12/1/2029	20,000	20,300
CP Atlas Buyer, Inc., 144A, 7.0%, 12/1/2028	28,000	27,860
Delta Air Lines, Inc.:		
3.75%, 10/28/2029 (b)	51,000	52,267
144A, 7.0%, 5/1/2025	71,000	81,182
EnerSys, 144A, 4.375%, 12/15/2027	90,000	93,375
First Student Bidco, Inc., 144A, 4.0%, 7/31/2029	90,000	87,480
GFL Environmental, Inc.:		
144A, 3.75%, 8/1/2025	80,000	80,800
144A, 4.25%, 6/1/2025	40,000	41,158
144A, 5.125%, 12/15/2026	50,000	52,000
Hawaiian Brand Intellectual Property Ltd., 144A, 5.75%, 1/20/2026	125,000	130,781
Hertz Corp., 144A, 4.625%, 12/1/2026	140,000	140,875
Howmet Aerospace, Inc., 6.875%, 5/1/2025	140,000	160,959
II-VI, Inc., 144A, 5.0%, 12/15/2029	40,000	40,849
Imola Merger Corp., 144A, 4.75%, 5/15/2029	365,000	374,508
JELD-WEN, Inc., 144A, 4.625%, 12/15/2025	80,000	80,600
LSB Industries, Inc., 144A, 6.25%, 10/15/2028	100,000	104,000
Madison IAQ LLC:		
144A, 4.125%, 6/30/2028	90,000	90,225
144A, 5.875%, 6/30/2029	60,000	60,000
Masonite International Corp., 144A, 5.375%, 2/1/2028	74,000	77,608
Metis Merger Sub LLC, 144A, 6.5%, 5/15/2029	60,000	58,931
Mileage Plus Holdings LLC, 144A, 6.5%, 6/20/2027	130,000	138,775
Moog, Inc., 144A, 4.25%, 12/15/2027	160,000	161,200
NESCO Holdings II, Inc., 144A, 5.5%, 4/15/2029	95,000	98,088
Nielsen Finance LLC, 144A, 5.625%, 10/1/2028	265,000	273,612
Patrick Industries, Inc., 144A, 4.75%, 5/1/2029	135,000	134,325
Prime Security Services Borrower LLC:		
144A, 3.375%, 8/31/2027	180,000	173,770
144A, 5.75%, 4/15/2026	135,000	144,945
144A, 6.25%, 1/15/2028	135,000	140,738
Signature Aviation U.S. Holdings, Inc., 144A, 4.0%, 3/1/2028	155,000	153,977
Spirit Loyalty Cayman Ltd., 144A, 8.0%, 9/20/2025	189,000	208,672
Summit Materials LLC, 144A, 5.25%, 1/15/2029	54,000	56,560

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	Principal Amount ($)(a)	Value ($)
TK Elevator U.S. Newco, Inc., 144A, 5.25%, 7/15/2027	200,000	210,250
TransDigm, Inc.:		
4.625%, 1/15/2029	85,000	84,718
5.5%, 11/15/2027	115,000	118,450
144A, 6.25%, 3/15/2026	335,000	348,191
United Airlines, Inc., 144A, 4.375%, 4/15/2026	160,000	166,838
United Rentals North America, Inc., 5.25%, 1/15/2030	80,000	86,600
Vertiv Group Corp., 144A, 4.125%, 11/15/2028	90,000	90,900
WESCO Distribution, Inc.:		
144A, 7.125%, 6/15/2025	40,000	42,400
144A, 7.25%, 6/15/2028	105,000	115,106
		6,512,059
Information Technology 1.3%		
Boxer Parent Co., Inc., 144A, 7.125%, 10/2/2025	60,000	62,925
Clarivate Science Holdings Corp.:		
144A, 3.875%, 7/1/2028	90,000	90,450
144A, 4.875%, 7/1/2029	60,000	60,847
Dun & Bradstreet Corp., 144A, 5.0%, 12/15/2029	20,000	20,461
Microchip Technology, Inc., 4.25%, 9/1/2025	140,000	145,400
NCR Corp., 144A, 5.125%, 4/15/2029	190,000	196,688
Presidio Holdings, Inc.:		
144A, 4.875%, 2/1/2027	50,000	51,500
144A, 8.25%, 2/1/2028	30,000	31,950
		660,221
Materials 8.7%		
Arconic Corp., 144A, 6.125%, 2/15/2028	245,000	260,729
Cascades, Inc., 144A, 5.125%, 1/15/2026	10,000	10,400
Chemours Co.:		
5.375%, 5/15/2027	95,000	101,650
144A, 5.75%, 11/15/2028	290,000	303,447
Clearwater Paper Corp.:		
144A, 4.75%, 8/15/2028	80,000	81,400
144A, 5.375%, 2/1/2025	110,000	118,800
Cleveland-Cliffs, Inc.:		
144A, 4.625%, 3/1/2029	31,000	31,620
144A, 4.875%, 3/1/2031 (b)	101,000	104,926
144A, 6.75%, 3/15/2026	175,000	185,281
EverArc Escrow Sarl, 144A, 5.0%, 10/30/2029	90,000	90,067
First Quantum Minerals Ltd.:		
144A, 6.875%, 3/1/2026	200,000	207,750
144A, 6.875%, 10/15/2027	300,000	322,875
Freeport-McMoRan, Inc.:		
4.125%, 3/1/2028	270,000	280,125
4.375%, 8/1/2028	90,000	94,388
4.625%, 8/1/2030	90,000	96,525
5.0%, 9/1/2027	105,000	109,200
Hudbay Minerals, Inc.:		
144A, 4.5%, 4/1/2026	60,000	60,000
144A, 6.125%, 4/1/2029	100,000	106,038
Kaiser Aluminum Corp., 144A, 4.625%, 3/1/2028	70,000	70,700
Kraton Polymers LLC, 144A, 4.25%, 12/15/2025	125,000	129,389
LABL, Inc.:		
144A, 5.875%, 11/1/2028	30,000	30,919
144A, 6.75%, 7/15/2026	100,000	103,060
LSF11 A5 Holdco LLC, 144A, 6.625%, 10/15/2029	160,000	157,600
Mauser Packaging Solutions Holding Co., 144A, 7.25%, 4/15/2025	105,000	105,266
Methanex Corp.:		
5.125%, 10/15/2027	180,000	189,000
5.25%, 12/15/2029 (b)	50,000	52,726
Novelis Corp., 144A, 4.75%, 1/30/2030	375,000	394,219
Resolute Forest Products, Inc., 144A, 4.875%, 3/1/2026	55,000	55,825
Roller Bearing Co. of America, Inc., 144A, 4.375%, 10/15/2029	80,000	81,600
SCIL IV LLC, 144A, 5.375%, 11/1/2026	200,000	205,250
Taseko Mines Ltd., 144A, 7.0%, 2/15/2026	125,000	130,000
Tronox, Inc.:		
144A, 4.625%, 3/15/2029	205,000	204,744
144A, 6.5%, 5/1/2025	30,000	31,707
		4,507,226
Real Estate 4.7%		
Cushman & Wakefield U.S. Borrower LLC, 144A, 6.75%, 5/15/2028	120,000	128,400
Iron Mountain Information Management Services, Inc., 144A, (REIT), 5.0%, 7/15/2032	40,000	40,939
Iron Mountain, Inc.:		
144A, (REIT), 4.875%, 9/15/2029	60,000	62,099
144A, (REIT), 5.0%, 7/15/2028	75,000	77,062
144A, (REIT), 5.25%, 7/15/2030	100,000	105,382
iStar, Inc.:		
(REIT), 4.25%, 8/1/2025	100,000	102,250
(REIT), 4.75%, 10/1/2024	170,000	176,375
MGM Growth Properties Operating Partnership LP:		
144A, (REIT), 3.875%, 2/15/2029	90,000	94,500

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

	Principal Amount ($)(a)	Value ($)
144A, (REIT), 4.625%, 6/15/2025	233,000	248,399
(REIT), 5.75%, 2/1/2027	310,000	350,300
MPT Operating Partnership LP:		
(REIT), 3.5%, 3/15/2031	105,000	106,181
(REIT), 4.625%, 8/1/2029	140,000	147,700
Realogy Group LLC:		
144A, 5.75%, 1/15/2029	240,000	246,000
144A, 7.625%, 6/15/2025	185,000	196,100
Service Properties Trust, (REIT), 7.5%, 9/15/2025	160,000	173,350
Uniti Group LP, 144A, (REIT), 6.0%, 1/15/2030	105,000	101,046
VICI Properties LP, 144A, (REIT), 3.5%, 2/15/2025	10,000	10,150
WeWork Companies, Inc., 144A, 7.875%, 5/1/2025	65,000	62,133
XHR LP, 144A, (REIT), 4.875%, 6/1/2029	40,000	40,700
		2,469,066

Utilities 3.2%

AmeriGas Partners LP:		
5.5%, 5/20/2025	205,000	219,606
5.75%, 5/20/2027	110,000	121,687
Calpine Corp.:		
144A, 4.5%, 2/15/2028	200,000	207,500
144A, 4.625%, 2/1/2029	30,000	29,588
Clearway Energy Operating LLC, 144A, 4.75%, 3/15/2028	115,000	120,894
NextEra Energy Operating Partners LP, 144A, 4.25%, 7/15/2024	210,000	218,137
NRG Energy, Inc.:		
144A, 3.625%, 2/15/2031	145,000	141,375
144A, 5.25%, 6/15/2029	157,000	168,207
5.75%, 1/15/2028	200,000	211,422
Pattern Energy Operations LP, 144A, 4.5%, 8/15/2028	90,000	93,375
PG&E Corp., 5.25%, 7/1/2030	75,000	78,653
Vistra Operations Co. LLC, 144A, 4.375%, 5/1/2029	60,000	60,098
		1,670,542
Total Corporate Bonds (Cost $46,494,212)		**48,116,933**

Loan Participations and Assignments 1.0%

Senior Loans (c)

	Principal Amount ($)(a)	Value ($)
Brand Energy & Infrastructure Services, Inc., Term Loan, 3-month USD-LIBOR + 4.25%, 5.25%, 6/21/2024	167,803	164,541
Directv Financing LLC, Term Loan, 8/2/2027 (d)	195,500	195,932
Flex Acquisition Co., Inc., Term Loan, 3-month USD-LIBOR + 3.5%, 4.0%, 3/2/2028	80,224	80,162
Penn National Gaming, Inc., Term Loan A, 10/19/2023 (d)	97,778	97,533
Total Loan Participations and Assignments (Cost $539,449)		**538,168**

	Shares	Value ($)

Common Stocks 0.0%

Industrials

Quad Graphics, Inc.* (b) (Cost $0)	287	**1,148**

Warrants 0.2%

Materials

Hercules Trust II, Expiration Date 3/31/2029* (e) (Cost $244,286)	1,100	**121,530**

Securities Lending Collateral 3.6%

DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (f) (g) (Cost $1,857,630)	1,857,630	**1,857,630**

Cash Equivalents 5.4%

DWS Central Cash Management Government Fund, 0.05% (f) (Cost $2,785,992)	2,785,992	**2,785,992**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $51,921,569)	102.8	**53,421,401**
Other Assets and Liabilities, Net	(2.8)	**(1,437,607)**
Net Assets	100.0	**51,983,794**

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

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 3.6%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (f) (g)								
633,205	1,224,425 (h)	—	—	—	782	—	1,857,630	1,857,630
Cash Equivalents 5.4%								
DWS Central Cash Management Government Fund, 0.05% (f)								
843,071	21,096,475	19,153,554	—	—	552	—	2,785,992	2,785,992
1,476,276	**22,320,900**	**19,153,554**	**—**	**—**	**1,334**	**—**	**4,643,622**	**4,643,622**

* Non-income producing security.

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

(b) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $1,793,969, which is 3.5% of net assets.

(c) Variable or floating rate security. These securities are shown at their current rate as of December 31, 2021. For securities based on a published reference rate and spread, the reference rate and spread are indicated within the description above. Certain variable rate securities are not based on a published reference rate and spread but adjust periodically based on current market conditions, prepayment of underlying positions and/or other variables. Securities with a floor or ceiling feature are disclosed at the inherent rate, where applicable.

(d) All or a portion of the security represents unsettled loan commitments at December 31, 2021 where the rate will be determined at the time of settlement.

(e) Investment was valued using significant unobservable inputs.

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

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

(h) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

REG S: Securities sold under Regulation S may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933.

REIT: Real Estate Investment Trust

LIBOR: London Interbank Offered Rate, the benchmark rate for certain floating rate securities, was partially phased out at the end of 2021, with the US Dollar LIBOR phase out continuing until June of 2023 at the latest for certain existing contracts. The Fund or the instruments in which the Fund invests may be adversely affected by the phase out by, among other things, increased volatility or illiquidity. There remains uncertainty regarding the future use of LIBOR and the nature of any replacement reference rate and, accordingly, it is difficult to predict the impact to the Fund of the transition away from LIBOR.

At December 31, 2021, the Fund had the following open forward foreign currency contracts:

Contracts to Deliver		In Exchange For		Settlement Date	Unrealized Depreciation ($)	Counterparty
EUR	805,247	USD	912,263	1/31/2022	**(5,080)**	State Street Bank and Trust

Currency Abbreviation(s)

EUR Euro
USD United States Dollar

For information on the Fund's policy and additional disclosures regarding forward foreign currency contracts, please refer to the Derivatives section of Note B in the accompanying Notes to Financial Statements.

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

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Corporate Bonds (a)	$ —	$ 48,116,933	$ —	$ 48,116,933
Loan Participations and Assignments	—	538,168	—	538,168
Common Stocks	1,148	—	—	1,148
Warrants	—	—	121,530	121,530
Short-Term Investments (a)	4,643,622	—	—	4,643,622
Total	**$4,644,770**	**$ 48,655,101**	**$121,530**	**$ 53,421,401**

Liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives (b)				
Forward Foreign Currency Contracts	$ —	$ (5,080)	$ —	$ (5,080)
Total	**$ —**	**$ (5,080)**	**$ —**	**$ (5,080)**

(a) See Investment Portfolio for additional detailed categorizations.

(b) Derivatives include unrealized appreciation (depreciation) on open forward foreign currency contracts.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $47,277,947) — including $1,793,969 of securities loaned	$ 48,777,779
Investment in DWS Government & Agency Securities Portfolio (cost $1,857,630)*	1,857,630
Investment in DWS Central Cash Management Government Fund (cost $2,785,992)	2,785,992
Cash	117,864
Foreign currency, at value (cost $17,301)	17,311
Receivable for investments sold	439
Receivable for Fund shares sold	10,425
Interest receivable	740,556
Other assets	1,070
Total assets	54,309,066
Liabilities	
Payable upon return of securities loaned	1,857,630
Payable for investments purchased	293,767
Payable for Fund shares redeemed	41,915
Unrealized depreciation on forward foreign currency contracts	5,080
Accrued management fee	18,769
Accrued Trustees' fees	817
Other accrued expenses and payables	107,294
Total liabilities	2,325,272
Net assets, at value	**$ 51,983,794**
Net Assets Consist of	
Distributable earnings (loss)	(2,437,458)
Paid-in capital	54,421,252
Net assets, at value	**$ 51,983,794**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($51,363,873 ÷ 8,311,044 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 6.18**
Class B	
Net Asset Value, offering and redemption price per share ($619,921 ÷ 100,035 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 6.20**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Interest (net of foreign taxes withheld of $91)	$ 2,659,798
Income distributions — DWS Central Cash Management Government Fund	552
Securities lending income, net of borrower rebates	782
Total income	2,661,132
Expenses:	
Management fee	264,304
Administration fee	51,275
Services to shareholders	861
Record keeping fee (Class B)	481
Distribution service fee (Class B)	799
Custodian fee	3,825
Audit fee	70,236
Legal fees	12,302
Tax fees	7,206
Reports to shareholders	30,607
Trustees' fees and expenses	3,037
Other	2,889
Total expenses before expense reductions	447,822
Expense reductions	(71,226)
Total expenses after expense reductions	376,596
Net investment income	**2,284,536**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	1,295,181
Forward foreign currency contracts	80,161
Foreign currency	(4,968)
	1,370,374
Change in net unrealized appreciation (depreciation) on:	
Investments	(1,541,699)
Forward foreign currency contracts	(5,303)
Foreign currency	(403)
	(1,547,405)
Net gain (loss)	**(177,031)**
Net increase (decrease) in net assets resulting from operations	**$ 2,107,505**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 2,284,536	$ 2,533,908
Net realized gain (loss)	1,370,374	(892,054)
Change in net unrealized appreciation (depreciation)	(1,547,405)	1,341,265
Net increase (decrease) in net assets resulting from operations	2,107,505	2,983,119
Distributions to shareholders:		
Class A	(2,455,814)	(2,873,076)
Class B	(6,327)	(8,104)
Total distributions	(2,462,141)	(2,881,180)
Fund share transactions:		
Class A		
Proceeds from shares sold	6,500,206	6,977,525
Reinvestment of distributions	2,455,814	2,873,076
Payments for shares redeemed	(11,190,770)	(11,869,783)
Net increase (decrease) in net assets from Class A share transactions	(2,234,750)	(2,019,182)
Class B		
Proceeds from shares sold	481,262	9,694
Reinvestment of distributions	6,327	8,104
Payments for shares redeemed	(21,374)	(29,136)
Net increase (decrease) in net assets from Class B share transactions	466,215	(11,338)
Increase (decrease) in net assets	(2,123,171)	(1,928,581)
Net assets at beginning of period	54,106,965	56,035,546
Net assets at end of period	**$ 51,983,794**	**$ 54,106,965**

Other Information		
Class A		
Shares outstanding at beginning of period	8,668,128	8,976,023
Shares sold	1,055,087	1,182,798
Shares issued to shareholders in reinvestment of distributions	408,621	536,022
Shares redeemed	(1,820,792)	(2,026,715)
Net increase (decrease) in Class A shares	(357,084)	(307,895)
Shares outstanding at end of period	**8,311,044**	**8,668,128**
Class B		
Shares outstanding at beginning of period	23,669	25,470
Shares sold	78,794	1,573
Shares issued to shareholders in reinvestment of distributions	1,048	1,501
Shares redeemed	(3,476)	(4,875)
Net increase (decrease) in Class B shares	76,366	(1,801)
Shares outstanding at end of period	**100,035**	**23,669**

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

Financial Highlights

DWS High Income VIP — Class A

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$6.23**	**$6.23**	**$5.71**	**$6.36**	**$6.28**
Income (loss) from investment operations:					
Net investment income[a]	.27	.29	.31	.33	.31
Net realized and unrealized gain (loss)	(.03)	.04	.56	(.48)	.15
Total from investment operations	.24	.33	.87	(.15)	.46
Less distributions from:					
Net investment income	(.29)	(.33)	(.35)	(.50)	(.38)
Net asset value, end of period	**$6.18**	**$6.23**	**$6.23**	**$5.71**	**$6.36**
Total Return (%)[b]	4.00	6.24	15.69	(2.52)	7.51
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	51	54	56	52	61
Ratio of expenses before expense reductions (%)[c]	.84	.87	.96	.94	.78
Ratio of expenses after expense reductions (%)[c]	.71	.70	.68	.69	.72
Ratio of net investment income (%)	4.32	4.86	5.09	5.41	4.98
Portfolio turnover rate (%)	56	94	82	62	71

a Based on average shares outstanding during the period.

b Total return would have been lower had certain expenses not been reduced.

c Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

DWS High Income VIP — Class B

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$6.24**	**$6.25**	**$5.73**	**$6.38**	**$6.30**
Income (loss) from investment operations:					
Net investment income[a]	.24	.27	.29	.31	.31
Net realized and unrealized gain (loss)	(.01)	.04	.57	(.48)	.13
Total from investment operations	.23	.31	.86	(.17)	.44
Less distributions from:					
Net investment income	(.27)	(.32)	(.34)	(.48)	(.36)
Net asset value, end of period	**$6.20**	**$6.24**	**$6.25**	**$5.73**	**$6.38**
Total Return (%)[b]	3.79	5.77	15.33	(2.76)	7.21
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	.6	.1	.2	.1	.1
Ratio of expenses before expense reductions (%)[c]	1.27	1.30	1.40	1.34	1.15
Ratio of expenses after expense reductions (%)[c]	1.10	1.05	.94	.96	.98
Ratio of net investment income (%)	3.86	4.52	4.82	5.14	4.88
Portfolio turnover rate (%)	56	94	82	62	71

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

Notes to Financial Statements

A. Organization and Significant Accounting Policies

DWS High Income VIP (the "Fund") is a diversified series of Deutsche DWS Variable Series II (the "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust.

Multiple Classes of Shares of Beneficial Interest. The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Debt securities and loan participations and assignments are valued at prices supplied by independent pricing services approved by the Fund's Board. Such services may use various pricing techniques which take into account appropriate factors such as yield, quality, coupon rate, maturity, type of issue, trading characteristics, prepayment speeds and other data, as well as broker quotes. If the pricing services are unable to provide valuations, debt securities are valued at the average of the most recent reliable bid quotations or evaluated prices, as applicable, obtained from broker-dealers and loan participations and assignments are valued at the mean of the most recent bid and ask quotations or evaluated prices, as applicable, obtained from broker-dealers. Certain securities may be valued on the basis of a price provided by a single source or broker-dealer. No active trading market may exist for some senior loans and they may be subject to restrictions on resale. The inability to dispose of senior loans in a timely fashion could result in losses. These securities are generally categorized as Level 2.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Forward currency contracts are valued at the prevailing forward exchange rate of the underlying currencies and are categorized as Level 2.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan. The value of the related collateral exceeded the value of the securities loaned at period end.

Remaining Contractual Maturity of the Agreements as of December 31, 2021

	Overnight and Continuous	<30 days	Between 30 & 90 days	>90 days	Total
Securities Lending Transactions					
Corporate Bonds	$ 1,856,580	$ —	$ —	$ —	$ 1,856,580
Common Stocks	1,050	—	—	—	1,050
Total Borrowings	**$ 1,857,630**	**$ —**	**$ —**	**$ —**	**$ 1,857,630**

Gross amount of recognized liabilities for securities lending transactions:	$ 1,857,630

When-Issued/Delayed Delivery Securities. The Fund may purchase securities with delivery or payment to occur at a later date beyond the normal settlement period. At the time the Fund enters into a commitment to purchase a security, the transaction is recorded and the value of the security is reflected in the net asset value. The price of such security and the date when the security will be delivered and paid for are fixed at the time the transaction is negotiated. The value of the security may vary with market fluctuations. No interest accrues to the Fund until payment takes place. At the time the Fund enters into a purchase transaction it is required to segregate cash or other liquid assets at least equal to the amount of the commitment. Additionally, the Fund may be required to post securities and/or cash collateral in accordance with the terms of the commitment.

Certain risks may arise upon entering into when-issued or delayed delivery transactions from the potential inability of counterparties to meet the terms of their contracts or if the issuer does not issue the securities due to political, economic, or other factors. Additionally, losses may arise due to changes in the value of the underlying securities.

Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

At December 31, 2021, the Fund had net tax basis capital loss carryforwards of approximately $6,270,000, including short-term losses ($584,000) and long-term losses ($5,686,000), which may be applied against realized net taxable capital gains indefinitely.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to forward foreign currency exchange contracts, premium amortization on debt securities, and certain securities sold at a loss on investment transactions. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 2,371,758
Capital loss carryforwards	$ (6,270,000)
Net unrealized appreciation (depreciation) on investments	$ 1,460,494

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $51,960,907. The net unrealized appreciation for all investments based on tax cost was $1,460,494. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $1,771,657 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $311,163.

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

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 2,462,141	$ 2,881,180

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments. All premiums and discounts are amortized/accreted for both tax and financial reporting purposes for the Fund, with the exception of securities in default of principal.

B. Derivative Instruments

A forward foreign currency contract ("forward currency contract") is a commitment to purchase or sell a foreign currency at the settlement date at a negotiated rate. For the year ended December 31, 2021, the Fund entered into forward currency contracts in order to hedge its exposure to changes in foreign currency exchange rates on its foreign currency denominated portfolio holdings and to facilitate transactions in foreign currency denominated securities.

Forward currency contracts are valued at the prevailing forward exchange rate of the underlying currencies and unrealized gain (loss) is recorded daily. On the settlement date of the forward currency contract, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value of the contract at the time it was closed. Certain risks may arise upon entering into forward currency contracts from the potential inability of counterparties to meet the terms of their contracts. The maximum counterparty credit risk to the Fund is measured by the unrealized gain on appreciated contracts. Additionally, when utilizing forward currency contracts to hedge, the Fund gives up the opportunity to profit from favorable exchange rate movements during the term of the contract.

A summary of the open forward currency contracts as of December 31, 2021, is included in the table following the Fund's Investment Portfolio. For the year ended December 31, 2021, the investment in forward currency contracts short vs. U.S. dollars had a total contract value generally indicative of a range from approximately $816,000 to $1,197,000.

The following table summarize the value of the Fund's derivative instruments held as of December 31, 2021 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Liability Derivative	**Forward Contracts**
Foreign Exchange Contracts (a)	$ (5,080)

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

(a) Unrealized depreciation on forward foreign currency contracts

Additionally, the amount of unrealized and realized gains and losses on derivative instruments recognized in Fund earnings during the year ended December 31, 2021 and the related location in the accompanying Statement of Operations is summarized in the following tables by primary underlying risk exposure:

Realized Gain (Loss)	**Forward Contracts**
Foreign Exchange Contracts (a)	$ 80,161

The above derivative is located in the following Statement of Operations account:

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

Change in Net Unrealized Appreciation (Depreciation)	Forward Contracts
Foreign Exchange Contracts (a)	$ (5,303)

The above derivative is located in the following Statement of Operations account:

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

As of December 31, 2021, the Fund has transactions subject to enforceable master netting agreements which govern the terms of certain transactions, and reduce the counterparty risk associated with such transactions. Master netting agreements allow a Fund to close out and net total exposure to a counterparty in the event of a deterioration in the credit quality or contractual default with respect to all of the transactions with a counterparty. As defined by the master netting agreement, the Fund may have collateral agreements with certain counterparties to mitigate risk. For financial reporting purposes the Statement of Assets and Liabilities generally shows derivatives assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting. A reconciliation of the gross amounts on the Statement of Assets and Liabilities to the net amounts by a counterparty, including any collateral exposure, is included in the following table:

Counterparty	Gross Amount of Liabilities Presented in the Statement of Assets and Liabilities	Financial Instruments and Derivatives Available for Offset	Collateral Pledged	Net Amount of Derivative Liabilities
State Street Bank and Trust	$ 5,080	$ —	$ —	$ 5,080

C. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments and U.S. Treasury securities) aggregated $28,425,737 and $32,167,592, respectively.

D. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million	.500%
Next $750 million	.470%
Next $1.5 billion	.450%
Next $2.5 billion	.430%
Next $2.5 billion	.400%
Next $2.5 billion	.380%
Next $2.5 billion	.360%
Over $12.5 billion	.340%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.50% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2022, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of Class A shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 0.71%.

For the period from January 1, 2021 through April 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of Class B shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 1.10%.

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of Class B shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 1.11%.

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of Class B shares to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 1.10%.

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 70,704
Class B	522
	$ 71,226

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $51,275, of which $4,250 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 332	$ 55
Class B	80	16
	$ 412	**$ 71**

Distribution Service Agreement. Under the Fund's Class B 12b-1 plan, DWS Distributors, Inc. ("DDI") received a fee ("Distribution Service Fee") of up to 0.25% of average daily net assets of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $799, of which $114 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,244, of which $612 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $59.

E. Investing in High-Yield Debt Securities

High-yield debt securities or junk bonds are generally regarded as speculative with respect to the issuer's continuing ability to meet principal and interest payments. The Fund's performance could be hurt if an issuer of a debt security suffers an adverse change in financial condition that results in the issuer not making timely payments of interest or principal, a security downgrade or an inability to meet a financial obligation. High-yield debt securities' total return and yield may generally be expected to fluctuate more than the total return and yield of investment-grade debt securities. A real or perceived economic downturn or an increase in market interest rates could cause a decline in the value of high-yield debt securities, result in increased redemptions and/or result in increased portfolio turnover, which could result in a decline in net asset value of the Fund, reduce liquidity for certain investments and/or increase costs. High-yield debt securities are often thinly traded and can be more difficult to sell and value accurately than investment-grade debt securities as there may be no established secondary market. Investments in high yield debt securities could increase liquidity risk for the Fund. In addition, the market for high-yield debt securities can experience sudden and sharp volatility which is generally associated more with investments in stocks.

F. Ownership of the Fund

At December 31, 2021, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 66% and 24%, respectively. Three participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 50%, 26% and 21%, respectively.

G. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 20 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

H. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS High Income VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS High Income VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others or by other appropriate auditing procedures where replies from others were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses **(Unaudited)**

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,013.10	$ 1,011.40
Expenses Paid per $1,000*	$ 3.60	$ 5.58

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,021.63	$ 1,019.66
Expenses Paid per $1,000*	$ 3.62	$ 5.60

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series II — DWS High Income VIP	.71%	1.10%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS High Income VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 2nd quartile, 1st quartile and 2nd quartile, respectively, of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the

Fund has outperformed its benchmark in the one- and three-year periods and has underperformed its benchmark in the five-year period ended December 31, 2020.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the

substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

VS2HI-2 (R-025832-11 2/22)

December 31, 2021

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 ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Management Summary

December 31, 2021 (Unaudited)

In light of the government's fiscal stimulus enacted in the wake of the pandemic and strong monetary support from the U.S. Federal Reserve (Fed), short-term interest rates declined during the first quarter of the year. The U.S. Treasury's decision to reduce the volume of Treasury bills outstanding also exerted downward pressure on short-term rates. Against this backdrop, money market yields approached their lowest levels since the 2008 financial crisis. In June, markets digested growing concern over COVID-19 variants and a surprisingly "hawkish" Fed Open Market Committee (FOMC) meeting. The updated Fed "dot plot" displaying FOMC member forecasts for fed funds signalled two hikes in the benchmark overnight lending rate in 2023, representing an acceleration of the previous timetable. In response, short-term Treasury yields moved higher while longer-term yields declined.

As the period drew to a close, markets remained focused on the shifting outlook for monetary policy. Inflation, once characterized by the Fed as transitory, remained high in part due to supply chain issues and rising commodity prices. With unemployment levels nearing their pre-COVID lows, the Fed indicated it was prepared to begin tapering the bond purchases that it has used to keep longer-term interest rates low. November saw the Fed officially launch tapering, even as the rapid emergence of the Omicron variant of COVID-19 introduced added uncertainty. The pace of the Fed's tapering of asset purchases was stepped up in December as inflation data for November came in above expectations. Short-term Treasury yields drifted higher over the fourth quarter of 2021 as markets began to anticipate additional hikes in the fed funds rate in 2022, as opposed to the previously signaled 2023 rate lift-off.

As of December 31, 2021, yields for one-month, six-month and one-year Treasury bills were 0.06%, 0.19% and 0.39%, respectively, versus 0.08%, 0.09% and 0.10%, respectively, as of December 31, 2020 (source: U.S. Department of the Treasury). We were able to maintain what we believe to be a competitive yield for the Portfolio. During the period, the Portfolio held a large percentage of assets in agency and Treasury floating-rate securities to take advantage of incremental rises in SOFR (the Securities Overnight Financing Rate) and Treasury bill rates. At the same time, the Portfolio invested in overnight agency repurchase agreements for liquidity and looked for yield opportunities from three- to six-month agency and Treasury securities. The types of securities that we were investing in tended to have lower yields than issues carrying more risk. We preferred to be cautious during a time of market uncertainty. In the end, this cost the Portfolio some yield, but we believe that this represented a prudent approach to preserving principal.

We anticipate continued increases in money market rates as the Fed likely commences interest rate hikes at the end of the first quarter. Additionally, a rebound in the supply of short-term agency and Treasury securities should also contribute to higher money market rates. We therefore continue to look to shorten duration while taking advantage of expected higher yields on the front end of the yield curve.

A group of investment professionals is responsible for the day-to-day management of the Fund. These investment professionals have a broad range of experience managing money market funds.

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Fund Performance(as of December 31, 2021)

All performance shown is historical, assumes reinvestment of all dividend and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. The yield quotation more closely reflects the current earnings of the Fund than the total return quotation.

You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

	7-Day Current Yield
DWS Government Money Market VIP — Class A	0.01%*

* The 7-Day Current Yield would have been -.32% had certain expenses not been reduced.

Yields are historical, will fluctuate and do not guarantee future performance. The 7-day current yield refers to the income paid by the portfolio over a 7-day period expressed as an annual percentage rate of the fund's shares outstanding. Please visit our Web site at liquidity.dws.com/US/index.jsp for the product's most recent month-end performance.

Terms to Know

Floating-Rate Securities are debt instruments with a variable interest rate, one that typically adjusts every six months, and is tied to a money market instrument such as Treasury bills.

Repurchase Agreements (Repos) are agreements between a seller and a buyer, usually of government securities, where the seller agrees to repurchase the securities at a given price and usually at a stated time. Repos are widely used money market instruments that serve as an interest-bearing, short-term "parking places" for large sums of money.

The **yield curve** is a graphical representation of how yields on bonds of different maturities compare. Normally, yield curves slant up, as bonds with longer maturities typically offer higher yields than short-term bonds.

Duration, which is expressed in years, measures the sensitivity of the price of a bond or bond fund to a change in interest rates.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio)	**12/31/21**	**12/31/20**
Government & Agency Obligations	83%	77%
Repurchase Agreements	17%	23%
	100%	100%

Weighted Average Maturity	**12/31/21**	**12/31/20**
Deutsche DWS Variable Series II —DWS Government Money Market VIP	33 days	26 days
iMoneyNet Money Fund Average™— Gov't & Agency Retail*	35 days	37 days

* The Fund is compared to its respective iMoneyNet Money Fund Average category: Gov't & Agency Retail — Category includes the most broadly based of the government retail funds. These funds may invest in U.S. Treasury securities, securities issued or guaranteed by the U.S. Government or its agencies or instrumentalities.

Weighted average maturity, also known as effective maturity, is the weighted average of the maturity date of bonds held by the Fund taking into consideration any available maturity shortening features.

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 6.

Each month, information about the Fund and its portfolio holdings is filed with the SEC on Form N-MFP. The SEC delays the public availability of the information filed on Form N-MFP for 60 days after the end of the reporting period included in the filing. These forms will be available on the SEC's Web site at sec.gov. The Fund's portfolio holdings are also posted on dws.com as of each month-end. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Principal Amount ($)	Value ($)
Government & Agency Obligations 82.6%		
U.S. Government Sponsored Agencies 20.0%		
Federal Farm Credit Bank, SOFR + 0.07%, 0.12% (a), 8/11/2022	500,000	500,015
Federal Home Loan Bank:		
0.044% (b), 1/5/2022	5,000,000	4,999,976
0.046% (b), 1/14/2022	10,000,000	9,999,838
0.051% (b), 2/18/2022	1,000,000	999,933
SOFR + 0.005%, 0.055% (a), 3/11/2022	2,500,000	2,500,000
SOFR + 0.005%, 0.055% (a), 3/14/2022	1,500,000	1,500,000
SOFR + 0.01%, 0.06% (a), 8/1/2022	1,500,000	1,500,000
SOFR + 0.01%, 0.06% (a), 8/15/2022	1,000,000	1,000,000
SOFR + 0.01%, 0.06% (a), 9/8/2022	1,500,000	1,500,000
SOFR + 0.01%, 0.06% (a), 9/30/2022	1,000,000	1,000,000
SOFR + 0.01%, 0.06% (a), 10/7/2022	2,000,000	2,000,000
SOFR + 0.01%, 0.06% (a), 11/4/2022	1,000,000	1,000,000
SOFR + 0.03%, 0.08% (a), 1/13/2023	2,000,000	2,000,000
SOFR + 0.12%, 0.17% (a), 2/28/2022	1,000,000	1,000,000
Federal Home Loan Mortgage Corp.:		
SOFR + 0.07%, 0.12% (a), 2/25/2022	3,000,000	3,000,000
SOFR + 0.095%, 0.145% (a), 8/19/2022	1,500,000	1,500,000
SOFR + 0.15%, 0.2% (a), 3/4/2022	1,750,000	1,749,592
Federal National Mortgage Association, SOFR + 0.30%, 0.35% (a), 1/7/2022	1,500,000	1,500,000
		39,249,354
U.S. Treasury Obligations 62.6%		
U.S. Treasury Bills:		
0.001% (b), 1/11/2022	40,000,000	39,999,989
0.041% (b), 1/6/2022	5,000,000	4,999,972
0.051% (b), 1/13/2022	12,500,000	12,499,792
0.051% (b), 2/17/2022	6,000,000	5,999,608
0.051% (b), 3/17/2022	1,000,000	999,896
0.051% (b), 3/31/2022	1,000,000	999,876
0.056% (b), 1/4/2022	12,000,000	11,999,945
0.056% (b), 1/20/2022	5,000,000	4,999,855
0.056% (b), 3/3/2022	5,000,000	4,999,534
0.056% (b), 3/10/2022	5,000,000	4,999,481
0.081% (b), 8/11/2022	3,750,000	3,748,150
0.107% (b), 6/9/2022	10,000,000	9,995,362
0.243% (b), 12/1/2022	5,000,000	4,988,867
U.S. Treasury Floating Rate Notes:		
3-month U.S. Treasury Bill Money Market Yield + 0.055%, 0.14% (a), 7/31/2022	3,500,000	3,500,750
3-month U.S. Treasury Bill Money Market Yield + 0.114%, 0.199% (a), 4/30/2022	7,250,000	7,251,981
3-month U.S. Treasury Bill Money Market Yield + 0.154%, 0.239% (a), 1/31/2022	1,250,000	1,250,152
		123,233,210
Total Government & Agency Obligations (Cost $162,482,564)		**162,482,564**
Repurchase Agreements 17.4%		
Citigroup Global Markets, Inc., 0.05%, dated 12/31/2021, to be repurchased at $34,200,143 on 1/3/2022 (c) (Cost $34,200,000)	34,200,000	**34,200,000**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $196,682,564)	100.0	**196,682,564**
Other Assets and Liabilities, Net	0.0	**49,777**
Net Assets	100.0	**196,732,341**

(a) Floating rate security. These securities are shown at their current rate as of December 31, 2021.
(b) Annualized yield at time of purchase; not a coupon rate.

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

(c) Collateralized by:

Principal Amount ($)	Security	Rate (%)	Maturity Date	Collateral Value ($)
34,876,600	U.S. Treasury Bills	Zero Coupon	1/6/2022–3/3/2022	34,875,573
8,500	U.S. Treasury Bonds	1.85–2.0	8/15/2051–11/15/2051	8,431
Total Collateral Value				**34,884,004**

SOFR: Secured Overnight Financing Rate

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Securities held by the Fund are reflected as Level 2 because the securities are valued at amortized cost (which approximates fair value) and, accordingly, the inputs used to determine value are not quoted prices in an active market.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Investments in Securities (a)	$ —	$ 162,482,564	$ —	$ 162,482,564
Repurchase Agreements	—	34,200,000	—	34,200,000
Total	**$ —**	**$ 196,682,564**	**$ —**	**$ 196,682,564**

(a) See Investment Portfolio for additional detailed categorizations.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in securities, valued at amortized cost	$ 162,482,564
Repurchase agreements, valued at amortized cost	34,200,000
Cash	56,044
Receivable for Fund shares sold	133,223
Interest receivable	6,519
Other assets	2,971
Total assets	196,881,321
Liabilities	
Payable for Fund shares redeemed	47,920
Distributions payable	857
Accrued Trustees' fees	1,716
Other accrued expenses and payables	98,487
Total liabilities	148,980
Net assets, at value	**$ 196,732,341**
Net Assets Consist of	
Distributable earnings (loss)	6,484
Paid-in capital	196,725,857
Net assets, at value	**$ 196,732,341**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($196,732,341 ÷ 196,801,073 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 1.00**

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Interest	$ 105,429
Expenses:	
Management fee	375,169
Administration fee	154,857
Services to shareholders	2,928
Custodian fee	4,932
Professional fees	50,942
Reports to shareholders	66,927
Trustees' fees and expenses	7,986
Other	9,763
Total expenses before expense reductions	673,504
Expense reductions	(584,029)
Total expenses after expense reductions	89,475
Net investment income	**15,954**
Net realized gain (loss) from investments	**(29)**
Net increase (decrease) in net assets resulting from operations	**$ 15,925**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 15,954	$ 308,578
Net realized gain (loss)	(29)	144
Net increase (decrease) in net assets resulting from operations	15,925	308,722
Distributions to shareholders:		
Class A	(15,954)	(308,575)
Fund share transactions:		
Class A		
Proceeds from shares sold	187,035,970	180,940,347
Reinvestment of distributions	15,781	366,986
Payments for shares redeemed	(143,576,595)	(150,319,848)
Net increase (decrease) in net assets from Class A share transactions	43,475,156	30,987,485
Increase (decrease) in net assets	43,475,127	30,987,632
Net assets at beginning of period	153,257,214	122,269,582
Net assets at end of period	**$ 196,732,341**	**$ 153,257,214**

Other Information		
Class A		
Shares outstanding at beginning of period	153,325,917	122,338,432
Shares sold	187,035,970	180,940,347
Shares issued to shareholders in reinvestment of distributions	15,781	366,986
Shares redeemed	(143,576,595)	(150,319,848)
Net increase (decrease) in Class A shares	43,475,156	30,987,485
Shares outstanding at end of period	**196,801,073**	**153,325,917**

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

Financial Highlights

DWS Government Money Market VIP — Class A

	Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$1.00**	**$1.00**	**$1.00**	**$1.00**	**$1.00**
Income (loss) from investment operations:					
Net investment income	.000*	.002	.018	.014	.005
Net realized gain (loss)	(.000)*	.000*	.000*	(.000)*	.000*
Total from investment operations	.000*	.002	.018	.014	.005
Less distributions from:					
Net investment income	(.000)	(.002)	(.018)	(.014)	(.005)
Net asset value, end of period	**$1.00**	**$1.00**	**$1.00**	**$1.00**	**$1.00**
Total Return (%)	.01[a]	.24[a]	1.77[a]	1.39[a]	.45
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	197	153	122	107	111
Ratio of expenses before expense reductions (%)[b]	.42	.42	.47	.50	.48
Ratio of expenses after expense reductions (%)[b]	.06	.23	.47	.50	.48
Ratio of net investment income (%)	.01	.20	1.74	1.37	.45

a Total return would have been lower had certain expenses not been reduced.

b Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

* Amount is less than $.0005.

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

Notes to Financial Statements

A. Organization and Significant Accounting Policies

DWS Government Money Market VIP (the "Fund") is a diversified series of Deutsche DWS Variable Series II (the "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The Fund values all securities utilizing the amortized cost method permitted in accordance with Rule 2a-7 under the 1940 Act and certain conditions therein. Under this method, which does not take into account unrealized capital gains or losses on securities, an instrument is initially valued at its cost and thereafter assumes a constant accretion/amortization rate to maturity of any discount or premium. Securities held by the Fund are reflected as Level 2 because the securities are valued at amortized cost (which approximates fair value) and, accordingly, the inputs used to determine value are not quoted prices in an active market.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Repurchase Agreements. The Fund may enter into repurchase agreements, under the terms of a Master Repurchase Agreement, with certain banks and broker/dealers whereby the Fund, through its custodian or a sub-custodian bank, receives delivery of the underlying securities, the amount of which at the time of purchase and each subsequent business day is required to be maintained at such a level that the market value is equal to at least the principal amount of the repurchase price plus accrued interest. The custodian bank or another designated sub-custodian bank holds the collateral in a separate account until the agreement matures. If the value of the securities falls below the principal amount of the repurchase agreement plus accrued interest, the financial institution deposits additional collateral by the following business day. If the financial institution either fails to deposit the required additional collateral or fails to repurchase the securities as agreed, the Fund has the right to sell the securities and recover any resulting loss from the financial institution. If the financial institution enters into bankruptcy, the Fund's claim on the collateral may be subject to legal proceedings.

As of December 31, 2021, the Fund held repurchase agreements with a gross value of $34,200,000. The value of the related collateral exceeded the value of the repurchase agreements at period end. The detail of the related collateral is included in the footnotes following the Fund's Investment Portfolio.

Federal Income Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

At December 31, 2021, the Fund had net tax basis capital loss carryforwards of approximately $29 of short-term losses, which may be applied against realized net taxable capital gains indefinitely.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Net investment income of the Fund is declared as a daily dividend and is distributed to shareholders monthly. The Fund may take into account capital gains and losses in its daily dividend declarations. The Fund may also make additional distributions for tax purposes if necessary.

Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications to paid-in capital. Temporary book and tax basis differences will reverse in a subsequent period. There were no significant book-to-tax differences for the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income	$ 6,513
Capital loss carryforwards	$ (29)

At December 31, 2021, the aggregate cost of investments for federal income tax purposes of $196,682,564.

	Years Ended December 31, 2021	2020
Distributions from ordinary income	$ 15,954	$ 308,575

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on trade date. Interest income is recorded on the accrual basis. Realized gains and losses from investment transactions are recorded on an identified cost basis. All premiums and discounts are amortized/accreted for both tax and financial reporting purposes.

B. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $500 million	.235%
Next $500 million	.220%
Next $1.0 billion	.205%
Over $2.0 billion	.190%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.235% of the Fund's average daily net assets.

For the period from January 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) at 0.51%.

In addition, the Advisor has agreed to voluntarily waive additional expenses. This voluntary waiver may be changed or terminated at any time without notice. Under these arrangements, the Advisor waived certain expenses of the Fund.

For the year ended December 31, 2021, fees waived and/or expenses reimbursed were $584,029.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $154,857, of which $16,161 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC aggregated $2,416, of which $449 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $744, of which $212 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

C. Ownership of the Fund

At December 31, 2021, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 69%.

D. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

E. Money Market Fund Investments and Yield

Rising interest rates could cause the value of the Fund's investments — and therefore its share price as well — to decline. Conversely, any decline in interest rates is likely to cause the Fund's yield to decline, and during periods of unusually low interest rates, the Fund's yield may approach zero. A low interest rate environment may prevent the fund from providing a positive yield or paying fund expenses out of current income and, at times, could impair the fund's ability to maintain a stable $1.00 share price. Over time, the total return of a money market fund may not keep pace with inflation, which could result in a net loss of purchasing power for long-term investors. Recent and potential future changes in monetary policy made by central banks or governments are likely to affect the level of interest rates. Money market funds try to minimize this risk by purchasing short-term securities.

If there is an insufficient supply of U.S. government securities to meet investor demand, it could result in lower yields on such securities and increase interest rate risk for the fund.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS Government Money Market VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Government Money Market VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and brokers. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses **(Unaudited)**

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**
Beginning Account Value 7/1/21	$1,000.00
Ending Account Value 12/31/21	$1,000.05
Expenses Paid per $1,000*	$ .25

Hypothetical 5% Fund Return	**Class A**
Beginning Account Value 7/1/21	$1,000.00
Ending Account Value 12/31/21	$1,024.95
Expenses Paid per $1,000*	$ .26

* Expenses are equal to the Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratio	**Class A**
Deutsche DWS Variable Series II — DWS Government Money Market VIP	.05%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Government Money Market VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including a peer universe compiled using information supplied by iMoneyNet, an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one- and three-year periods ended December 31, 2020, the Fund's gross performance (Class A shares) was in the 4th quartile and 3rd quartile, respectively, of the applicable iMoneyNet universe (the 1st quartile being the best performers and the 4th quartile being the worst performers).

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). Based on Broadridge data provided as of December 31, 2020, the Board noted that the Fund's Class A shares total (net) operating expenses were lower than the median (1st quartile) of the applicable Broadridge expense universe (less any applicable 12b-1 fees). The Board noted the expense limitation agreed to by DIMA. The Board also noted the voluntary fee waivers implemented by DIMA from time to time in recent years to ensure the Fund maintained a positive yield. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund and any fees received by an affiliate of DIMA for transfer agency services provided to the Fund. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent

Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

VS2GMM-2 (R-025834-11 2/22)

December 31, 2021

Annual Report

Deutsche DWS Investments VIT Funds

DWS Small Cap Index 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.

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. Smaller company stocks tend to be more volatile than medium-sized or large company stocks. The Fund may lend securities to approved institutions. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

NOT FDIC/NCUA INSURED   NO BANK GUARANTEE   MAY LOSE VALUE
NOT A DEPOSIT   NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Performance Summary

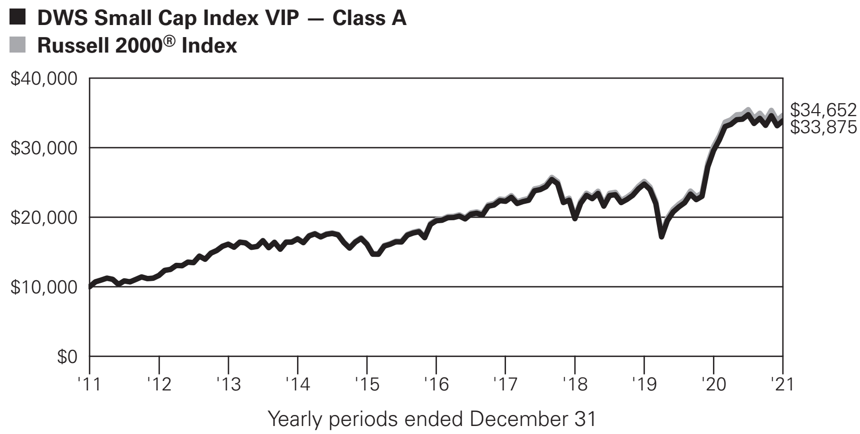
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance figures for Classes A and B differ because each class maintains a distinct expense structure. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.50% and 0.79% 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 2000® Index is an unmanaged, capitalization-weighted measure of approximately 2,000 of the smallest companies in the Russell 3000® Index.

The Russell 3000® Index is an unmanaged index that measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity 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 Cap Index VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$11,450	$17,124	$17,379	$33,875
	Average annual total return	14.50%	19.64%	11.69%	12.98%
Russell 2000 Index	Growth of $10,000	$11,482	$17,290	$17,639	$34,652
	Average annual total return	14.82%	20.02%	12.02%	13.23%

DWS Small Cap Index VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$11,418	$16,980	$17,151	$32,981
	Average annual total return	14.18%	19.30%	11.39%	12.67%
Russell 2000 Index	Growth of $10,000	$11,482	$17,290	$17,639	$34,652
	Average annual total return	14.82%	20.02%	12.02%	13.23%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

For the 12 months ended December 31, 2021, the Fund gained 14.50% (Class A shares, unadjusted for contract charges), compared with the 14.82% return of the Russell 2000® Index. The difference in performance is typically driven by transaction costs and Fund expenses. The Fund periodically invests 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.

Small-cap stocks were helped by the backdrop of improving economic growth and robust corporate earnings brought about by the gradual resumption of normal business conditions. Monetary policy also remained supportive for most of the period, with the U.S. Federal Reserve keeping interest rates near zero and continuing its stimulative quantitative easing program. Multiple rounds of fiscal stimulus provided further fuel for investor sentiment.

The year was interesting for small caps in the sense that much of the gain for 2021 was already in the books by mid-February. The Russell 2000 Index posted impressive gains in the first six weeks of the year, when higher-risk asset classes were still in the midst of the rally that followed the first vaccine approval in late 2020. The index then proceeded to trade within a fairly defined range until November, at which point it broke out to a new high. This upswing proved to be short-lived, however, as the emergence of the omicron variant of COVID-19 caused the index to fall back into its previous range by the end of the month. After experiencing some choppiness in December, the index ultimately closed the year at the same level as where it stood in early February. Still, 2021 marked the third year in a row that the index has delivered a double-digit gain, as well as the fifth year of the past six.

Although small-cap equities produced a strong absolute return in 2021, they underperformed large caps. The shortfall stemmed primarily from the increasing dominance of a handful of mega-cap technology-related companies in the major large-company indexes. These stocks registered outsized returns as a group in 2021, leading to outperformance for the broader large-cap category.

While growth stocks outperformed value in the large-cap space, the opposite was true in small caps. The Russell 2000® Value Index rose 28.27% in 2021, far ahead of the 2.83% return for the Russell 2000® Growth Index.

At the sector level, energy was by far the top performer with a return well in excess of the Russell 2000 Index. Smaller energy companies logged significant gains as strength in oil and natural gas prices boosted their earnings and strengthened their balance sheets. However, the effect on overall performance was limited due to the sector's modest weighting in the benchmark. The real estate, financials, and consumer discretionary sectors — all of which benefited from the acceleration in economic growth — were also top performers. On the other hand, health care was the only sector to post a negative return. The majority of stocks in the sector experienced a double-digit loss for the year, as biotechnology and pharmaceutical companies without current profits suffered sharp declines. Since health care has an index weighting of more than 20%, its weak performance was a sizable drag on returns in 2021. The defensive utilities sector, while finishing with a gain, also lagged the overall small-cap category.

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 **Russell 2000 Index** is an unmanaged, capitalization-weighted measure of approximately 2,000 of the smallest companies in the Russell 3000® Index.

The **Russell 2000 Growth Index** is an unmanaged index that measures the performance of the small-cap growth segment of the U.S. equity universe.

The **Russell 2000 Value Index** is an unmanaged index that measures the performance of the small-cap value segment of the U.S. equity universe.

Portfolio Summary (Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	97%	99%
Cash Equivalents	3%	1%
Government & Agency Obligations	0%	0%
Warrants	0%	0%
Corporate Bonds	0%	—
Rights	0%	0%
	100%	100%

Sector Diversification (As a % of Common Stocks, Rights, Warrants and Corporate Bonds)	**12/31/21**	**12/31/20**
Health Care	18%	21%
Financials	16%	16%
Industrials	15%	16%
Information Technology	15%	14%
Consumer Discretionary	11%	13%
Real Estate	7%	6%
Energy	4%	2%
Materials	4%	4%
Consumer Staples	4%	3%
Communication Services	3%	2%
Utilities	3%	3%
	100%	100%

Ten Largest Equity Holdings at December 31, 2021 (3.2% of Net Assets)	
1 **AMC Entertainment Holdings, Inc.** Operator of theatrical exhibition business	**0.4%**
2 **Synaptics, Inc.** Developer of custom designed user interface solutions	**0.4%**
3 **Lattice Semiconductor Corp.** Manufacturer of high speed programmable logic devices	**0.3%**
4 **EastGroup Properties, Inc.** Developer of industrial properties	**0.3%**
5 **BJ's Wholesale Club Holdings, Inc.** Operator of warehouse club	**0.3%**
6 **Tetra Tech, Inc.** Provider of management consulting and technical services	**0.3%**
7 **Saia, Inc.** Provider of trucking transportation	**0.3%**
8 **Ovintiv, Inc.** Producer of natural gas, oil and natural gas liquids	**0.3%**
9 **Tenet Healthcare Corp.** Operator of specialty and general hospitals	**0.3%**
10 **WillScot Mobile Mini Holdings Corp** Provider of modular space and portable storage solutions	**0.3%**

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 6.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 96.9%		
Communication Services 3.0%		
Communications Equipment 0.0%		
EchoStar Corp. "A"*	5,658	**149,088**
Diversified Telecommunication Services 0.5%		
Anterix, Inc.*	1,751	102,889
ATN International, Inc.	1,608	64,240
Bandwidth, Inc. "A"*	3,540	254,030
Cogent Communications Holdings, Inc.	6,472	473,621
Consolidated Communications Holdings, Inc.*	11,043	82,602
Globalstar, Inc.* (a)	93,348	108,284
IDT Corp. "B"*	3,090	136,454
Iridium Communications, Inc.*	18,031	744,500
Liberty Latin America Ltd. "A"*	6,447	75,172
Liberty Latin America Ltd. "C"*	23,931	272,813
Ooma, Inc.*	3,382	69,128
Radius Global Infrastructure, Inc. "A"*	8,822	142,034
Telesat Corp.* (a)	2,038	58,430
		2,584,197
Entertainment 0.8%		
AMC Entertainment Holdings, Inc. "A"* (a)	78,927	2,146,814
Chicken Soup For The Soul Entertainment Inc.*	938	12,982
Cinemark Holdings, Inc.* (a)	16,748	269,978
CuriosityStream, Inc.*	4,003	23,738
Eros STX Global Corp*	49,107	11,771
IMAX Corp.*	7,513	134,032
Liberty Media Corp.-Liberty Braves "A"*	1,542	44,332
Liberty Media Corp.-Liberty Braves "C"*	5,628	158,147
Lions Gate Entertainment Corp. "A"*	8,982	149,460
Lions Gate Entertainment Corp. "B"*	18,161	279,498
LiveOne, Inc.*	7,885	10,093
Madison Square Garden Entertainment Corp.*	4,030	283,470
Marcus Corp.* (a)	3,616	64,582
		3,588,897
Interactive Media & Services 0.6%		
Cargurus, Inc.*	14,544	489,260
Cars.com, Inc.*	10,199	164,102
Eventbrite, Inc. "A"* (a)	11,754	204,990
EverQuote, Inc. "A"*	2,904	45,477
fuboTV, Inc.* (a)	20,742	321,916
Liberty TripAdvisor Holdings, Inc. "A"*	10,989	23,846
MediaAlpha, Inc. "A"*	3,182	49,130
Outbrain, Inc.*	1,190	16,660
QuinStreet, Inc.*	7,805	141,973
TrueCar, Inc.*	14,750	50,150
Yelp, Inc.*	10,897	394,907
Ziff Davis, Inc.*	6,690	741,653
		2,644,064
Media 1.0%		
Advantage Solutions, Inc.*	11,747	94,211
AMC Networks, Inc. "A"*	4,486	154,498
Boston Omaha Corp. "A"*	3,081	88,517
Cardlytics, Inc.*	4,952	327,278
Clear Channel Outdoor Holdings, Inc.*	55,887	184,986
comScore, Inc.*	10,039	33,530
Daily Journal Corp.*	192	68,492
Emerald Holding, Inc.*	4,554	18,079
Entercom Communications Corp.*	18,721	48,113
Entravision Communications Corp. "A"	9,050	61,359
Fluent, Inc.*	6,063	12,065
Gannett Co., Inc.*	21,472	114,446
Gray Television, Inc.	13,235	266,818
Hemisphere Media Group, Inc.*	2,187	15,899
iHeartMedia, Inc. "A"*	17,264	363,234
Integral Ad Science Holding Corp.*	2,543	56,480
John Wiley & Sons, Inc. "A"	6,651	380,903
Magnite, Inc.*	20,095	351,662
National CineMedia, Inc.	9,195	25,838
Scholastic Corp.	4,101	163,876
Sinclair Broadcast Group, Inc. "A"	7,140	188,710
Stagwell, Inc.*	9,625	83,449
TechTarget, Inc.*	3,986	381,301
TEGNA, Inc.	34,003	631,096
The E.W. Scripps Co. "A"*	8,901	172,234
Thryv Holdings, Inc.*	1,189	48,904
WideOpenWest, Inc.*	8,138	175,130
		4,511,108
Wireless Telecommunication Services 0.1%		
Gogo, Inc.* (a)	9,006	121,851
Shenandoah Telecommunications Co.	7,551	192,551
Telephone & Data Systems, Inc.	15,667	315,690
U.S. Cellular Corp.*	2,389	75,301
		705,393

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

	Shares	Value ($)
Consumer Discretionary 11.0%		
Auto Components 1.4%		
Adient PLC*	14,454	692,057
American Axle & Manufacturing Holdings, Inc.*	17,200	160,476
Cooper-Standard Holdings, Inc.*	2,638	59,118
Dana, Inc.	22,180	506,148
Dorman Products, Inc.*	4,027	455,091
Fox Factory Holding Corp.*	6,460	1,098,846
Gentherm, Inc.*	5,144	447,014
Goodyear Tire & Rubber Co.*	42,208	899,875
LCI Industries	3,821	595,579
Modine Manufacturing Co.*	7,327	73,929
Motorcar Parts of America, Inc.*	2,880	49,162
Patrick Industries, Inc.	3,452	278,542
Standard Motor Products, Inc.	3,189	167,072
Stoneridge, Inc.*	3,879	76,571
Tenneco, Inc. "A"*	10,149	114,684
Visteon Corp.*	4,237	470,900
XL Fleet Corp.*	5,927	19,618
XPEL, Inc.*	2,780	189,818
		6,354,500
Automobiles 0.3%		
Arcimoto, Inc.*	4,223	32,855
Canoo, Inc.* (a)	16,539	127,681
Fisker, Inc.* (a)	25,221	396,727
Lordstown Motors Corp. "A"* (a)	24,080	83,076
Winnebago Industries, Inc.	5,012	375,499
Workhorse Group, Inc.* (a)	17,984	78,410
		1,094,248
Distributors 0.0%		
Funko, Inc. "A"*	4,202	78,998
Greenlane Holdings, Inc. "A"*	1,386	1,336
		80,334
Diversified Consumer Services 0.6%		
2U, Inc.*	11,164	224,061
Adtalem Global Education, Inc.*	7,540	222,882
American Public Education, Inc.*	2,855	63,524
Carriage Services, Inc.	2,348	151,305
Coursera, Inc.* (a)	11,236	274,608
European Wax Center, Inc. "A"*	2,067	62,733
Graham Holdings Co. "B"	578	364,042
Houghton Mifflin Harcourt Co.* (a)	19,654	316,429
Laureate Education, Inc. "A"	15,498	189,696

	Shares	Value ($)
OneSpaWorld Holdings Ltd.* (a)	8,077	80,932
Perdoceo Education Corp.*	10,462	123,033
PowerSchool Holdings, Inc. "A"* (a)	8,225	135,466
Regis Corp.*	6,746	11,738
StoneMor, Inc.*	4,918	11,213
Strategic Education, Inc.	3,721	215,223
Stride, Inc.*	6,324	210,779
Udemy, Inc.*	2,163	42,265
Vivint Smart Home, Inc.*	14,094	137,839
WW International, Inc.*	8,087	130,443
		2,968,211
Hotels, Restaurants & Leisure 2.3%		
Accel Entertainment, Inc.*	8,865	115,422
Bally's Corp.*	5,081	193,383
Biglari Holdings, Inc. "B"*	102	14,542
BJ's Restaurants, Inc.*	3,459	119,508
Bloomin' Brands, Inc.*	13,451	282,202
Bluegreen Vacations Holding Corp*	2,149	75,430
Brinker International, Inc.*	6,895	252,288
Carrols Restaurant Group, Inc.	5,337	15,798
Century Casinos, Inc.* (a)	4,231	51,534
Chuy's Holdings, Inc.*	3,124	94,095
Cracker Barrel Old Country Store, Inc.	3,664	471,337
Dave & Buster's Entertainment, Inc.*	6,605	253,632
Del Taco Restaurants, Inc.	4,606	57,345
Denny's Corp.*	9,363	149,808
Dine Brands Global, Inc.	2,500	189,525
Drive Shack, Inc.*	12,654	18,095
El Pollo Loco Holdings, Inc.*	2,711	38,469
Esports Technologies, Inc.*	1,631	33,533
Everi Holdings, Inc.*	13,284	283,613
F45 Training Holdings, Inc.*	2,851	31,047
Fiesta Restaurant Group, Inc.*	2,630	28,956
First Watch Restaurant Group, Inc.*	1,712	28,693
Full House Resorts, Inc.*	4,990	60,429
GAN Ltd.*	6,162	56,629
Golden Entertainment, Inc.*	2,583	130,519
Golden Nugget Online Gaming, Inc.*	5,957	59,272
Hall of Fame Resort & Entertainment Co.*	8,403	12,773
Hilton Grand Vacations, Inc.*	13,120	683,683
International Game Technology PLC	15,409	445,474
Jack in the Box, Inc.	3,295	288,247
Krispy Kreme, Inc. (a)	3,451	65,293
Kura Sushi USA, Inc. "A"*	598	48,342
Life Time Group Holdings, Inc.* (a)	5,840	100,506

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

	Shares	Value ($)
Lindblad Expeditions Holdings, Inc.* (a)	4,676	72,946
Monarch Casino & Resort, Inc.*	2,053	151,819
Nathan's Famous, Inc.	497	29,020
NEOGAMES SA*	1,592	44,226
Noodles & Co.*	6,217	56,388
Papa John's International, Inc.	5,090	679,362
PlayAGS, Inc.*	3,774	25,625
Portillo's, Inc. "A"* (a)	3,583	134,506
RCI Hospitality Holdings, Inc.	1,237	96,338
Red Robin Gourmet Burgers, Inc.*	2,426	40,102
Red Rock Resorts, Inc. "A" (a)	9,036	497,070
Rush Street Interactive, Inc.*	7,985	131,753
Ruth's Hospitality Group, Inc.*	5,173	102,943
Scientific Games Corp. "A"* (a)	14,712	983,203
SeaWorld Entertainment, Inc.*	7,922	513,821
Shake Shack, Inc. "A"*	5,737	413,982
Target Hospitality Corp.*	4,513	16,066
Texas Roadhouse, Inc.	10,659	951,636
The Cheesecake Factory, Inc.*	7,141	279,570
The ONE Group Hospitality, Inc.*	2,972	37,477
Wingstop, Inc.	4,556	787,277
Xponential Fitness, Inc. "A"*	1,406	28,739
		10,823,291
Household Durables 1.9%		
Aterian, Inc.*	3,809	15,655
Bassett Furniture Industries, Inc.	1,442	24,182
Beazer Homes U.S.A., Inc.*	4,420	102,632
Casper Sleep, Inc.*	4,361	29,131
Cavco Industries, Inc.*	1,428	453,604
Century Communities, Inc.	4,598	376,070
Ethan Allen Interiors, Inc.	3,341	87,835
Flexsteel Industries, Inc.	1,032	27,720
GoPro, Inc. "A"*	19,479	200,829
Green Brick Partners, Inc.*	4,763	144,462
Hamilton Beach Brands Holding Co. "A"	1,206	17,318
Helen of Troy Ltd.*	3,677	898,916
Hooker Furniture Corp.	1,785	41,555
Hovnanian Enterprises, Inc. "A"*	785	99,923
Installed Building Products, Inc.	3,657	510,956
iRobot Corp.*	4,095	269,779
KB Home	12,137	542,888
Landsea Homes Corp.*	1,234	9,033

	Shares	Value ($)
La-Z-Boy, Inc.	6,641	241,135
Legacy Housing Corp.*	1,257	33,273
LGI Homes, Inc.*	3,308	511,020
Lifetime Brands, Inc.	1,845	29,465
Lovesac Co.*	1,963	130,068
M.D.C. Holdings, Inc.	8,780	490,187
M/I Homes, Inc.*	4,341	269,923
Meritage Homes Corp.*	5,635	687,808
Purple Innovation, Inc.* (a)	8,614	114,308
Skyline Champion Corp.*	8,045	635,394
Snap One Holdings Corp.* (a)	1,939	40,874
Sonos, Inc.*	18,361	547,158
Taylor Morrison Home Corp.*	18,348	641,446
Traeger, Inc.*	3,324	40,420
Tri Pointe Home, Inc.*	17,020	474,688
Tupperware Brands Corp.*	7,422	113,482
Universal Electronics, Inc.*	1,953	79,585
VOXX International Corp.*	2,409	24,500
Vuzix Corp.* (a)	9,012	78,134
Weber, Inc. "A" (a)	2,523	32,622
		9,067,978
Internet & Direct Marketing Retail 0.5%		
1-800-Flowers.com, Inc. "A"* (a)	3,967	92,709
1stdibs.com, Inc.*	937	11,722
aka Brands Holding Corp.*	1,491	13,792
CarParts.com, Inc.* (a)	7,281	81,547
Duluth Holdings, Inc. "B"*	1,836	27,870
Groupon, Inc.* (a)	3,528	81,709
Lands' End, Inc.*	2,303	45,208
Liquidity Services, Inc.*	4,107	90,683
Lulu's Fashion Lounge Holdings, Inc.*	888	9,084
Overstock.com, Inc.*	6,622	390,764
PetMed Express, Inc. (a)	3,112	78,609
Porch Group, Inc.*	11,914	185,739
Quotient Technology, Inc.*	13,994	103,836
RealReal, Inc.* (a)	12,086	140,318
Rent the Runway, Inc. "A"* (a)	2,654	21,630
Revolve Group, Inc.* (a)	5,540	310,462
Shutterstock, Inc.	3,605	399,722
Stitch Fix, Inc. "A"* (a)	12,458	235,705
Xometry, Inc. "A"*	1,190	60,988
		2,382,097
Leisure Products 0.5%		
Acushnet Holdings Corp.	5,277	280,103
American Outdoor Brands, Inc.*	2,073	41,315
AMMO, Inc.* (a)	13,274	72,343
Callaway Golf Co.*	17,722	486,292
Clarus Corp.	4,061	112,571
Escalade, Inc.	1,389	21,932

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

	Shares	Value ($)
Genius Brands International, Inc.* (a)	43,490	45,665
Johnson Outdoors, Inc. "A"	824	77,201
Latham Group, Inc.* (a)	4,879	122,121
Malibu Boats, Inc. "A"*	3,156	216,912
Marine Products Corp.	1,244	15,550
MasterCraft Boat Holdings, Inc.*	2,878	81,534
Nautilus, Inc.* (a)	4,789	29,357
Smith & Wesson Brands, Inc.	7,178	127,768
Solo Brands, Inc. "A"* (a)	1,797	28,087
Sturm, Ruger & Co., Inc.	2,661	181,001
Vista Outdoor, Inc.*	8,861	408,226
		2,347,978
Multiline Retail 0.4%		
Big Lots, Inc.	4,881	219,889
Dillard's, Inc. "A" (a)	890	218,068
Franchise Group, Inc.	4,352	227,000
Macy's, Inc. (a)	48,011	1,256,928
		1,921,885
Specialty Retail 2.4%		
Aaron's Co., Inc.	4,713	116,175
Abercrombie & Fitch Co. "A"*	8,911	310,370
Academy Sports & Outdoors, Inc.*	11,962	525,132
American Eagle Outfitters, Inc. (a)	23,245	588,563
America's Car-Mart, Inc.*	955	97,792
Arko Corp.*	18,744	164,385
Asbury Automotive Group, Inc.*	3,536	610,773
Barnes & Noble Education, Inc.*	6,909	47,050
Bed Bath & Beyond, Inc.* (a)	15,522	226,311
Big 5 Sporting Goods Corp.	3,195	60,737
Boot Barn Holdings, Inc.*	4,467	549,664
Caleres, Inc.	5,779	131,068
Camping World Holdings, Inc. "A" (a)	6,364	257,106
CarLotz, Inc.* (a)	11,785	26,752
Cato Corp. "A"	3,028	51,960
Chico's FAS, Inc.* (a)	18,718	100,703
Citi Trends, Inc.* (a)	1,358	128,671
Conn's, Inc.* (a)	2,742	64,492
Designer Brands, Inc. "A"*	9,226	131,101
Genesco, Inc.*	2,289	146,885
Group 1 Automotive, Inc.	2,709	528,851
GrowGeneration Corp.*	8,491	110,808
Guess?, Inc.	6,159	145,845
Haverty Furniture Companies, Inc.	2,470	75,508
Hibbett, Inc.	2,252	161,986
JOANN, Inc.	1,803	18,715
Kirkland's, Inc.*	2,145	32,025
Lazydays Holdings, Inc.*	1,141	24,577
Lumber Liquidators Holdings, Inc.*	4,179	71,336
MarineMax, Inc.*	3,229	190,640
Monro, Inc.	5,056	294,613
Murphy USA, Inc.	3,707	738,583
National Vision Holdings, Inc.*	12,481	598,963
ODP Corp.*	7,034	276,296
OneWater Marine, Inc. "A"	1,502	91,577
Party City Holdco, Inc.* (a)	16,985	94,606
Rent-A-Center, Inc.	10,069	483,715
Sally Beauty Holdings, Inc.*	17,377	320,779
Shift Technologies, Inc.*	9,544	32,545
Shoe Carnival, Inc.	2,749	107,431
Signet Jewelers Ltd.	8,035	699,286
Sleep Number Corp.*	3,374	258,448
Sonic Automotive, Inc. "A"	3,368	166,548
Sportsman's Warehouse Holdings, Inc.*	6,490	76,582
The Buckle, Inc.	4,603	194,753
The Children's Place, Inc.*	2,164	171,584
The Container Store Group, Inc.*	5,172	51,617
Tilly's, Inc. "A"	3,686	59,381
Torrid Holdings, Inc.*	1,821	17,991
TravelCenters of America, Inc.*	1,914	98,801
Urban Outfitters, Inc.*	10,565	310,188
Winmark Corp.	538	133,580
Zumiez, Inc.*	3,231	155,056
		11,128,904
Textiles, Apparel & Luxury Goods 0.7%		
Crocs, Inc.*	8,898	1,140,901
Fossil Group, Inc.*	7,423	76,383
G-III Apparel Group Ltd.*	6,769	187,095
Kontoor Brands, Inc.	7,994	409,692
Movado Group, Inc. (a)	2,398	100,308
Oxford Industries, Inc.	2,444	248,115
PLBY Group, Inc.* (a)	4,422	117,802
Rocky Brands, Inc.	982	39,084
Steven Madden Ltd.	12,308	571,953
Superior Group of Companies, Inc.	1,660	36,420
Unifi, Inc.*	2,113	48,916
Vera Bradley, Inc.*	3,992	33,972
Wolverine World Wide, Inc.	12,418	357,763
		3,368,404
Consumer Staples 3.3%		
Beverages 0.4%		
Celsius Holdings, Inc.*	8,246	614,904
Coca-Cola Consolidated, Inc.	723	447,674
MGP Ingredients, Inc. (a)	2,217	188,423
National Beverage Corp.	3,615	163,868
NewAge, Inc.*	20,525	21,141

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	Shares	Value ($)
Primo Water Corp.	24,275	427,968
The Duckhorn Portfolio, Inc.* (a)	5,467	127,600
Zevia PBC "A"*	1,654	11,661
		2,003,239
Food & Staples Retailing 1.0%		
BJ's Wholesale Club Holdings, Inc.*	20,907	1,400,142
HF Foods Group, Inc.*	5,299	44,829
Ingles Markets, Inc. "A"	2,193	189,344
MedAvail Holdings, Inc.*	1,808	2,531
Natural Grocers by Vitamin Cottage, Inc.	1,516	21,603
Performance Food Group Co.*	23,182	1,063,822
PriceSmart, Inc.	3,633	265,827
Rite Aid Corp.*	8,323	122,265
SpartanNash Co.	5,608	144,462
Sprouts Farmers Market, Inc.*	17,105	507,676
The Andersons, Inc.	4,869	188,479
The Chefs' Warehouse, Inc.* (a)	4,817	160,406
United Natural Foods, Inc.*	8,604	422,284
Village Super Market, Inc. "A"	1,112	26,010
Weis Markets, Inc.	2,548	167,862
		4,727,542
Food Products 0.9%		
AppHarvest, Inc.* (a)	10,332	40,191
B&G Foods, Inc. (a)	9,863	303,090
Calavo Growers, Inc.	2,600	110,240
Cal-Maine Foods, Inc.	6,125	226,564
Fresh Del Monte Produce, Inc.	5,166	142,582
Hostess Brands, Inc.*	20,912	427,023
J & J Snack Foods Corp.	2,227	351,777
John B. Sanfilippo & Son, Inc.	1,320	119,011
Laird Superfood, Inc.*	947	12,349
Lancaster Colony Corp.	2,916	482,890
Landec Corp.*	3,778	41,936
Limoneira Co.	2,398	35,970
Mission Produce, Inc.* (a)	5,709	89,631
Sanderson Farms, Inc.	3,122	596,552
Seneca Foods Corp. "A"*	1,003	48,094
Simply Good Foods Co.*	12,925	537,292
Sovos Brands, Inc.*	3,809	57,325
Tattooed Chef, Inc.* (a)	7,188	111,701
The Vita Coco Co., Inc*	1,549	17,302
Tootsie Roll Industries, Inc. (a)	2,252	81,590
TreeHouse Foods, Inc.*	8,013	324,767
Utz Brands, Inc. (a)	8,990	143,390
Vital Farms, Inc.* (a)	3,928	70,940
Whole Earth Brands, Inc.*	5,755	61,809
		4,434,016
Household Products 0.3%		
Central Garden & Pet Co.*	1,483	78,050
Central Garden & Pet Co. "A"*	6,167	295,091
Energizer Holdings, Inc.	10,530	422,253
Oil-Dri Corp. of America	876	28,672
WD-40 Co. (a)	2,108	515,701
		1,339,767
Personal Products 0.6%		
BellRing Brands, Inc. "A"* (a)	6,214	177,285
Edgewell Personal Care Co.	8,364	382,319
elf Beauty, Inc.*	7,396	245,621
Inter Parfums, Inc.	2,769	296,006
Medifast, Inc.	1,751	366,712
Nature's Sunshine Products, Inc.	1,954	36,149
Nu Skin Enterprises, Inc. "A" (a)	7,678	389,659
Revlon, Inc. "A"*	1,271	14,413
The Beauty Health Co.* (a)	13,153	317,777
The Honest Co., Inc.* (a)	13,147	106,359
Thorne HealthTech, Inc.*	1,033	6,415
USANA Health Sciences, Inc.*	1,791	181,249
Veru, Inc.*	10,144	59,748
		2,579,712
Tobacco 0.1%		
22nd Century Group, Inc.* (a)	23,177	71,617
Turning Point Brands, Inc.	2,242	84,703
Universal Corp.	3,615	198,536
Vector Group Ltd.	22,132	254,075
		608,931
Energy 4.2%		
Energy Equipment & Services 0.7%		
Archrock, Inc.	20,442	152,906
Aspen Aerogels, Inc.*	3,420	170,282
Bristow Group, Inc.*	3,543	112,207
Cactus, Inc. "A"	8,500	324,105
ChampionX Corp.*	31,009	626,692
DMC Global, Inc.*	2,865	113,483
Dril-Quip, Inc.*	5,357	105,426
Expro Group Holdings NV*	7,095	101,813
FTS International, Inc. "A"*	1,373	36,041
Helix Energy Solutions Group, Inc.*	22,524	70,275
Helmerich & Payne, Inc.	16,053	380,456
Liberty Oilfield Services, Inc. "A"*	14,177	137,517
Nabors Industries Ltd.*	1,047	84,901

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

	Shares	Value ($)
National Energy Services Reunited Corp.*	5,594	52,863
Newpark Resources, Inc.*	13,210	38,837
NexTier Oilfield Solutions, Inc.*	25,809	91,622
Oceaneering International, Inc.*	15,587	176,289
Oil States International, Inc.*	9,159	45,520
Patterson-UTI Energy, Inc.	28,491	240,749
ProPetro Holding Corp.*	12,735	103,154
RPC, Inc.*	10,769	48,891
Select Energy Services, Inc. "A"*	9,966	62,088
Solaris Oilfield Infrastructure, Inc. "A"	4,525	29,639
TETRA Technologies, Inc.*	18,938	53,784
Tidewater, Inc.*	6,541	70,054
U.S. Silica Holdings, Inc.*	11,041	103,786
		3,533,380
Oil, Gas & Consumable Fuels 3.5%		
Aemetis, Inc.* (a)	4,015	49,385
Alto Ingredients, Inc.*	10,918	52,516
Altus Midstream Co. "A"	497	30,471
Antero Resources Corp.*	43,697	764,697
Arch Resources, Inc.	2,337	213,415
Berry Corp.	10,275	86,516
Brigham Minerals, Inc. "A"	6,686	141,008
California Resources Corp. (a)	12,372	528,408
Callon Petroleum Co.* (a)	7,270	343,507
Centennial Resource Development, Inc. "A"*	27,810	166,304
Centrus Energy Corp. "A"*	1,450	72,370
Chesapeake Energy Corp.	16,023	1,033,804
Civitas Resources, Inc.	6,634	324,867
Clean Energy Fuels Corp.*	24,156	148,076
CNX Resources Corp.*	31,968	439,560
Comstock Resources, Inc.*	14,081	113,915
CONSOL Energy, Inc.*	5,268	119,636
Crescent Energy, Inc. "A"* (a)	4,508	57,161
CVR Energy, Inc.	4,322	72,653
Delek U.S. Holdings, Inc.*	10,070	150,949
Denbury, Inc.*	7,773	595,334
DHT Holdings, Inc.	21,001	108,995
Dorian LPG Ltd.	4,570	57,993
Earthstone Energy, Inc. "A"*	3,555	38,892
Energy Fuels, Inc.* (a)	23,689	180,747
Equitrans Midstream Corp.	62,591	647,191
Falcon Minerals Corp.	6,307	30,715
Frontline Ltd.* (a)	17,813	125,938
Gevo, Inc.* (a)	29,928	128,092
Golar LNG Ltd.*	15,740	195,019
Green Plains, Inc.*	7,380	256,529
HighPeak Energy, Inc.	1,035	15,152
International Seaways, Inc.	7,390	108,485

	Shares	Value ($)
Kosmos Energy Ltd.*	68,689	237,664
Laredo Petroleum, Inc.* (a)	1,935	116,352
Magnolia Oil & Gas Corp. "A"	21,984	414,838
Matador Resources Co. (a)	16,906	624,170
Murphy Oil Corp.	22,329	583,010
Nordic American Tankers Ltd. (a)	27,030	45,681
Northern Oil and Gas, Inc.	8,179	168,324
Oasis Petroleum, Inc.	3,012	379,482
Ovintiv, Inc.	40,010	1,348,337
Par Pacific Holdings, Inc.*	6,929	114,259
PBF Energy, Inc. "A"*	14,796	191,904
PDC Energy, Inc.	14,861	724,920
Peabody Energy Corp.*	13,571	136,660
Range Resources Corp.*	36,521	651,169
Ranger Oil Corp. "A"*	3,255	87,625
Renewable Energy Group, Inc.*	6,909	293,218
REX American Resources Corp.*	771	74,016
Riley Exploration Permian, Inc.	352	6,801
Scorpio Tankers, Inc.	7,493	95,985
SFL Corp. Ltd.	19,057	155,315
SM Energy Co.	18,494	545,203
Southwestern Energy Co.*	155,454	724,416
Talos Energy, Inc.*	5,678	55,644
Teekay Corp.*	10,677	33,526
Teekay Tankers Ltd. "A"*	3,658	39,872
Tellurian, Inc.* (a)	56,978	175,492
Uranium Energy Corp.* (a)	39,270	131,554
Ur-Energy, Inc.*	27,710	33,806
W&T Offshore, Inc.*	13,889	44,861
Whiting Petroleum Corp.*	6,078	393,125
World Fuel Services Corp.	9,656	255,594
		16,281,123

Financials 15.6%

	Shares	Value ($)
Banks 8.2%		
1st Source Corp.	2,629	130,398
Allegiance Bancshares, Inc.	2,840	119,876
Amalgamated Financial Corp.	1,860	31,192
Amerant Bancorp, Inc.	4,054	140,066
American National Bankshares, Inc.	1,579	59,497
Ameris Bancorp.	10,264	509,916
Arrow Financial Corp.	2,099	73,948
Associated Banc-Corp	22,556	509,540
Atlantic Capital Bancshares, Inc.*	2,911	83,749
Atlantic Union Bankshares Corp.	11,424	426,001
Banc of California, Inc.	8,229	161,453
BancFirst Corp.	2,639	186,208
Bank First Corp. (a)	968	69,928
Bank of Marin Bancorp.	2,457	91,474

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

	Shares	Value ($)
Bank of NT Butterfield & Son Ltd.	7,790	296,877
BankUnited, Inc.	13,511	571,650
Banner Corp.	5,145	312,147
Bar Harbor Bankshares	2,246	64,977
Berkshire Hills Bancorp., Inc.	7,622	216,693
Blue Ridge Bankshares, Inc.	2,701	48,348
Brookline Bancorp., Inc.	11,478	185,829
Bryn Mawr Bank Corp.	3,127	140,746
Business First Bancshares, Inc.	3,115	88,186
Byline Bancorp., Inc. (a)	3,729	101,988
Cadence Bank	28,820	858,548
Cambridge Bancorp.	1,049	98,176
Camden National Corp.	2,310	111,250
Capital Bancorp., Inc	1,139	29,842
Capital City Bank Group, Inc.	1,984	52,378
Capstar Financial Holdings, Inc.	3,154	66,329
Carter Bankshares, Inc.*	4,127	63,515
Cathay General Bancorp.	11,240	483,208
CBTX, Inc.	2,740	79,460
Central Pacific Financial Corp.	4,254	119,835
CIT Group, Inc.	15,166	778,622
Citizens & Northern Corp.	2,252	58,822
City Holding Co.	2,228	182,228
Civista Bancshares, Inc.	2,320	56,608
CNB Financial Corp.	2,323	61,560
Coastal Financial Corp.*	1,361	68,894
Columbia Banking System, Inc.	12,087	395,487
Community Bank System, Inc.	8,187	609,768
Community Trust Bancorp., Inc.	2,422	105,623
ConnectOne Bancorp., Inc.	5,692	186,185
CrossFirst Bankshares, Inc.* (a)	7,198	112,361
Customers Bancorp., Inc.*	4,574	299,002
CVB Financial Corp.	19,867	425,353
Dime Community Bancshares, Inc.	5,303	186,454
Eagle Bancorp., Inc.	4,759	277,640
Eastern Bankshares, Inc.	26,368	531,843
Enterprise Bancorp., Inc.	1,527	68,593
Enterprise Financial Services Corp.	5,405	254,521
Equity Bancshares, Inc. "A" (a)	2,118	71,864
Farmers National Banc Corp.	4,637	86,016
FB Financial Corp.	5,016	219,801
Fidelity D&D Bancorp, Inc.	606	35,754
Financial Institutions, Inc.	2,348	74,666
First BanCorp.	30,680	422,770
First BanCorp. - North Carolina	5,321	243,276
First Bancorp., Inc.	1,499	47,069

	Shares	Value ($)
First Bancshares, Inc.	3,234	124,897
First Bank	2,559	37,131
First Busey Corp.	7,787	211,183
First Commonwealth Financial Corp.	14,640	235,558
First Community Bancshares, Inc.	2,637	88,129
First Financial Bancorp.	13,996	341,223
First Financial Bankshares, Inc.	19,953	1,014,411
First Financial Corp.	1,803	81,658
First Foundation, Inc.	6,003	149,235
First Internet Bancorp.	1,408	66,232
First Interstate BancSystem, Inc. "A"	6,299	256,180
First Merchants Corp.	8,619	361,050
First Mid Bancshares, Inc.	2,576	110,227
First Midwest Bancorp., Inc.	17,630	361,062
First of Long Island Corp.	3,509	75,759
Five Star Bancorp.	1,951	58,530
Flushing Financial Corp.	4,686	113,870
Fulton Financial Corp.	24,255	412,335
German American Bancorp., Inc.	3,720	145,006
Glacier Bancorp., Inc.	16,921	959,421
Great Southern Bancorp., Inc.	1,572	93,141
Great Western Bancorp., Inc.	8,567	290,935
Guaranty Bancshares, Inc.	1,115	41,902
Hancock Whitney Corp.	13,289	664,716
Hanmi Financial Corp.	4,802	113,711
HarborOne Bancorp, Inc.	7,619	113,066
HBT Financial, Inc.	1,633	30,586
Heartland Financial U.S.A., Inc.	6,245	316,059
Heritage Commerce Corp.	9,092	108,559
Heritage Financial Corp.	5,418	132,416
Hilltop Holdings, Inc.	9,345	328,383
Home BancShares, Inc.	23,394	569,644
HomeTrust Bancshares, Inc.	2,310	71,564
Hope Bancorp., Inc.	17,402	255,983
Horizon Bancorp, Inc.	6,633	138,298
Howard Bancorp., Inc.*	1,839	40,072
Independent Bank Corp.	10,281	650,757
Independent Bank Group, Inc.	5,699	411,183
International Bancshares Corp.	8,303	351,964
Investors Bancorp., Inc.	35,117	532,023
Lakeland Bancorp., Inc.	7,276	138,171
Lakeland Financial Corp.	3,768	301,968
Live Oak Bancshares, Inc.	4,853	423,618
Macatawa Bank Corp.	4,472	39,443
Mercantile Bank Corp.	2,444	85,613
Metrocity Bankshares, Inc.	2,877	79,204
Metropolitan Bank Holding Corp.*	1,496	159,369

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

	Shares	Value ($)
Mid Penn Bancorp, Inc.	2,185	69,352
Midland States Bancorp., Inc.	3,289	81,534
MidWestOne Financial Group, Inc.	2,243	72,606
MVB Financial Corp.	1,471	61,076
National Bank Holdings Corp. "A"	4,512	198,257
NBT Bancorp., Inc.	6,560	252,691
Nicolet Bankshares, Inc.*	1,927	165,240
Northrim BanCorp., Inc.	890	38,679
OceanFirst Financial Corp.	9,047	200,843
OFG Bancorp. (a)	7,432	197,394
Old National Bancorp.	25,219	456,968
Old Second Bancorp., Inc.	4,268	53,734
Origin Bancorp, Inc. (a)	3,352	143,868
Orrstown Financial Services, Inc.	1,526	38,455
Pacific Premier Bancorp., Inc.	14,315	573,029
Park National Corp. (a)	2,187	300,297
Peapack-Gladstone Financial Corp.	2,769	98,023
Peoples Bancorp., Inc.	3,800	120,878
Peoples Financial Services Corp.	1,001	52,743
Preferred Bank	2,076	149,036
Primis Financial Corp.	3,621	54,460
QCR Holdings, Inc.	2,337	130,872
RBB Bancorp.	2,025	53,055
Red River Bancshares, Inc.	726	38,841
Reliant Bancorp., Inc.	2,240	79,520
Renasant Corp.	8,246	312,936
Republic Bancorp., Inc. "A"	1,404	71,379
Republic First Bancorp., Inc.*	7,485	27,844
S&T Bancorp., Inc.	5,917	186,504
Sandy Spring Bancorp., Inc.	6,757	324,877
Seacoast Banking Corp. of Florida	7,854	277,953
ServisFirst Bancshares, Inc.	7,681	652,424
Sierra Bancorp. (a)	2,103	57,096
Silvergate Capital Corp. "A"*	4,238	628,072
Simmons First National Corp. "A"	17,266	510,728
SmartFinancial, Inc.	1,986	54,337
South Plains Financial, Inc.	1,510	41,993
South State Corp.	10,735	859,981
Southern First Bancshares, Inc.*	1,130	70,614
Southside Bancshares, Inc.	4,805	200,945
Spirit of Texas Bancshares, Inc.	1,968	56,639
Stock Yards Bancorp., Inc.	3,736	238,656
Summit Financial Group, Inc.	1,881	51,633
Texas Capital Bancshares, Inc.*	7,825	471,456
The Bancorp, Inc.*	8,133	205,846
Third Coast Bancshares, Inc.*	604	15,692
Tompkins Financial Corp.	2,210	184,712
TowneBank	10,134	320,133
TriCo Bancshares	4,307	185,029
TriState Capital Holdings, Inc.*	4,412	133,507
Triumph Bancorp., Inc.*	3,628	432,022
Trustmark Corp.	9,596	311,486
UMB Financial Corp.	6,702	711,149
United Bankshares, Inc.	20,057	727,668
United Community Banks, Inc.	13,569	487,670
Univest Financial Corp.	4,311	128,985
Valley National Bancorp.	61,384	844,030
Veritex Holdings, Inc.	7,269	289,161
Washington Trust Bancorp., Inc.	2,584	145,660
WesBanco, Inc.	9,269	324,322
West BanCorp, Inc.	2,459	76,401
Westamerica BanCorp.	4,050	233,807
		38,664,251
Capital Markets 1.6%		
Artisan Partners Asset Management, Inc. "A"	8,948	426,283
AssetMark Financial Holdings, Inc.*	2,837	74,358
Associated Capital Group, Inc. "A"	276	11,868
B. Riley Financial, Inc.	3,115	276,799
BGC Partners, Inc. "A"	48,138	223,842
Blucora, Inc.*	7,670	132,844
Brightsphere Investment Group, Inc. (a)	8,874	227,174
Cohen & Steers, Inc.	3,817	353,111
Cowen, Inc. "A"	3,965	143,136
Diamond Hill Investment Group, Inc.	476	92,453
Donnelley Financial Solutions, Inc.*	4,554	214,676
Federated Hermes, Inc.	14,121	530,667
Focus Financial Partners, Inc. "A"*	9,185	548,528
GAMCO Investors, Inc. "A"	754	18,835
GCM Grosvenor, Inc. "A"	6,716	70,518
Greenhill & Co., Inc.	2,070	37,115
Hamilton Lane, Inc. "A"	5,305	549,704
Houlihan Lokey, Inc.	7,829	810,458
Moelis & Co. "A"	9,407	588,032
Open Lending Corp. "A"*	16,083	361,546
Oppenheimer Holdings, Inc. "A"	1,444	66,958
Piper Sandler Companies	2,694	480,906
PJT Partners, Inc. "A"	3,566	264,205
Pzena Investment Management, Inc. "A"	2,623	24,840

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

	Shares	Value ($)
Sculptor Capital Management, Inc.	3,240	69,174
StepStone Group, Inc. "A"	6,151	255,697
StoneX Group, Inc.*	2,587	158,454
Value Line, Inc.	187	8,755
Virtus Investment Partners, Inc.	1,128	335,129
WisdomTree Investments, Inc.	20,907	127,951
		7,484,016
Consumer Finance 0.8%		
Atlanticus Holdings Corp.*	764	54,488
Curo Group Holdings Corp.	3,151	50,448
Encore Capital Group, Inc.* (a)	4,419	274,464
Enova International, Inc.*	5,574	228,311
EZCORP, Inc. "A"*	7,130	52,548
FirstCash Holdings, Inc.	6,124	458,136
Green Dot Corp. "A"*	8,275	299,886
LendingClub Corp.*	15,082	364,683
LendingTree, Inc.*	1,805	221,293
Navient Corp.	24,075	510,872
Nelnet, Inc. "A"	2,606	254,554
Oportun Financial Corp.*	3,124	63,261
PRA Group, Inc.* (a)	6,536	328,173
PROG Holdings, Inc. (a)	9,936	448,213
Regional Management Corp.	1,129	64,872
World Acceptance Corp.*	646	158,548
		3,832,750
Diversified Financial Services 0.2%		
Alerus Financial Corp.	2,359	69,071
A-Mark Precious Metals, Inc.	1,346	82,240
Banco Latinoamericano de Comercio Exterior SA "E"	4,821	80,029
Cannae Holdings, Inc.*	12,891	453,119
Marlin Business Services Corp.	1,215	28,285
		712,744
Insurance 1.9%		
Ambac Financial Group, Inc.*	7,119	114,260
American Equity Investment Life Holding Co.	12,755	496,425
American National Group, Inc.	1,125	212,445
AMERISAFE, Inc.	2,944	158,475
Argo Group International Holdings Ltd.	4,924	286,134
Bright Health Group, Inc.* (a)	7,937	27,303
BRP Group, Inc. "A"*	7,141	257,861
Citizens, Inc.* (a)	7,521	39,936
CNO Financial Group, Inc.	18,649	444,592
Crawford & Co. "A"	2,763	20,695
Donegal Group, Inc. "A"	2,103	30,052
eHealth, Inc.*	3,751	95,650
Employers Holdings, Inc.	4,341	179,631
Enstar Group Ltd.*	1,913	473,640
Genworth Financial, Inc. "A"*	78,211	316,755
Goosehead Insurance, Inc. "A"	2,736	355,899
Greenlight Capital Re Ltd. "A"*	3,838	30,090
HCI Group, Inc.	869	72,596
Heritage Insurance Holdings, Inc.	3,614	21,250
Horace Mann Educators Corp.	6,496	251,395
Independence Holding Co.	589	33,385
Investors Title Co.	183	36,078
James River Group Holdings Ltd.	5,512	158,801
Kinsale Capital Group, Inc.	3,286	781,707
Maiden Holdings, Ltd.*	10,666	32,638
MBIA, Inc.* (a)	7,480	118,109
MetroMile, Inc.*	14,851	32,524
National Western Life Group, Inc. "A"	401	85,990
NI Holdings, Inc.*	1,084	20,498
Palomar Holdings, Inc.*	3,805	246,450
ProAssurance Corp.	8,202	207,511
RLI Corp.	6,139	688,182
Safety Insurance Group, Inc. (a)	2,230	189,617
Selective Insurance Group, Inc.	9,132	748,276
Selectquote, Inc.*	20,795	188,403
SiriusPoint Ltd.*	13,573	110,348
State Auto Financial Corp.	2,693	139,201
Stewart Information Services Corp.	4,105	327,292
Tiptree, Inc.	3,292	45,528
Trean Insurance Group, Inc.*	2,703	24,084
Trupanion, Inc.*	5,845	771,715
United Fire Group, Inc.	3,279	76,040
United Insurance Holdings Corp.	3,590	15,581
Universal Insurance Holdings, Inc.	4,357	74,069
		9,037,111
Mortgage Real Estate Investment Trusts (REITs) 1.3%		
AFC Gamma, Inc.	1,934	44,018
Angel Oak Mortgage, Inc. (a)	1,143	18,722
Apollo Commercial Real Estate Finance, Inc.	21,376	281,308
Arbor Realty Trust, Inc. (a)	22,078	404,469
Ares Commercial Real Estate Corp.	7,046	102,449
ARMOUR Residential REIT, Inc. (a)	13,134	128,845
Blackstone Mortgage Trust, Inc. "A"	24,084	737,452
BrightSpire Capital, Inc.	12,535	128,609

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

	Shares	Value ($)
Broadmark Realty Capital, Inc.	19,670	185,488
Chimera Investment Corp.	36,008	543,001
Douglas Elliman, Inc.	11,066	127,259
Dynex Capital, Inc. (a)	5,534	92,473
Ellington Financial, Inc.	8,392	143,419
Franklin BSP Realty Trust, Inc.	5,502	82,200
Granite Point Mortgage Trust, Inc.	8,072	94,523
Great Ajax Corp.	3,079	40,520
Hannon Armstrong Sustainable Infrastructure Capital, Inc.	11,812	627,453
Invesco Mortgage Capital, Inc. (a)	48,232	134,085
KKR Real Estate Finance Trust, Inc.	5,406	112,607
Ladder Capital Corp.	17,207	206,312
MFA Financial, Inc.	67,542	307,991
New York Mortgage Trust, Inc.	58,084	216,072
Orchid Island Capital, Inc.	21,787	98,041
PennyMac Mortgage Investment Trust (a)	15,017	260,245
Ready Capital Corp.	9,248	144,546
Redwood Trust, Inc.	17,642	232,698
TPG RE Finance Trust, Inc.	9,611	118,408
Two Harbors Investment Corp.	52,193	301,154
		5,914,367
Thrifts & Mortgage Finance 1.6%		
Axos Financial, Inc.*	8,792	491,561
Blue Foundry Bancorp.*	4,078	59,661
Bridgewater Bancshares, Inc.*	3,349	59,244
Capitol Federal Financial, Inc.	20,062	227,303
Columbia Financial, Inc.*	6,187	129,061
Enact Holdings, Inc.	2,127	43,965
Essent Group Ltd.	16,523	752,292
Federal Agricultural Mortgage Corp. "C"	1,417	175,609
Finance of America Companies, Inc. "A"*	2,660	10,560
Flagstar Bancorp., Inc.	8,045	385,677
FS Bancorp, Inc.	1,014	34,101
Hingham Institution For Savings The	217	91,114
Home Bancorp., Inc.	1,080	44,831
Home Point Capital, Inc.	1,180	5,310
HomeStreet, Inc.	3,121	162,292
Kearny Financial Corp.	10,233	135,587
Luther Burbank Corp.	2,316	32,517
Merchants Bancorp.	1,465	69,338
Meta Financial Group, Inc.	4,880	291,141
Mr Cooper Group, Inc.*	9,390	390,718
NMI Holdings, Inc. "A"*	12,789	279,440
Northfield Bancorp., Inc.	6,945	112,231
Northwest Bancshares, Inc.	18,954	268,389
Ocwen Financial Corp.*	1,261	50,402
PCSB Financial Corp.	2,106	40,098
PennyMac Financial Services, Inc.	4,760	332,153
Pioneer Bancorp., Inc.*	1,979	22,402
Premier Financial Corp.	5,607	173,312
Provident Bancorp, Inc.	2,529	47,039
Provident Financial Services, Inc.	11,423	276,665
Radian Group, Inc.	27,408	579,131
Southern Missouri Bancorp., Inc.	1,107	57,752
TrustCo Bank Corp. NY	2,827	94,167
Velocity Financial, Inc.*	1,318	18,057
Walker & Dunlop, Inc.	4,494	678,055
Washington Federal, Inc.	9,802	327,191
Waterstone Financial, Inc.	3,353	73,297
WSFS Financial Corp.	7,270	364,372
		7,386,035

Health Care 17.5%

	Shares	Value ($)
Biotechnology 8.2%		
2seventy bio, Inc.* (a)	3,457	88,603
4D Molecular Therapeutics, Inc.* (a)	4,326	94,912
89bio, Inc.*	1,368	17,880
ACADIA Pharmaceuticals, Inc.*	18,359	428,499
Acumen Pharmaceuticals, Inc.*	1,346	9,099
Adagio Therapeutics, Inc.* (a)	3,164	22,971
Adicet Bio, Inc.*	3,171	55,461
Aduro Biotech Holding Europe BV	2,328	0
Adverum Biotechnologies, Inc.* (a)	14,257	25,092
Aeglea BioTherapeutics, Inc.*	5,803	27,564
Aerovate Therapeutics, Inc.*	1,460	17,213
Affimed NV*	18,122	100,033
Agenus, Inc.* (a)	32,612	105,011
Agios Pharmaceuticals, Inc.*	8,334	273,939
Akebia Therapeutics, Inc.*	25,679	58,035
Akero Therapeutics, Inc.*	3,939	83,310
Akouos, Inc.* (a)	3,481	29,588
Albireo Pharma, Inc.*	2,658	61,905
Aldeyra Therapeutics, Inc.* (a)	7,426	29,704
Alector, Inc.*	8,845	182,649
Aligos Therapeutics, Inc.* (a)	3,087	36,643
Alkermes PLC*	24,536	570,707
Allakos, Inc.*	5,431	53,169
Allogene Therapeutics, Inc.*	10,654	158,958
Allovir, Inc.*	4,336	56,108

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

	Shares	Value ($)
Alpine Immune Sciences, Inc.*	1,727	23,919
Altimmune, Inc.*	6,189	56,691
ALX Oncology Holdings, Inc.*	2,652	56,991
Amicus Therapeutics, Inc.*	40,334	465,858
AnaptysBio, Inc.*	2,936	102,026
Anavex Life Sciences Corp.* (a)	10,291	178,446
Anika Therapeutics, Inc.*	2,197	78,718
Annexon, Inc.*	4,786	54,991
Apellis Pharmaceuticals, Inc.*	10,952	517,811
Applied Molecular Transport, Inc.*	3,792	53,012
Applied Therapeutics, Inc.*	2,831	25,337
AquaBounty Technologies, Inc.*	8,030	16,863
Arbutus Biopharma Corp.*	11,933	46,419
Arcturus Therapeutics Holdings, Inc.* (a)	3,239	119,875
Arcus Biosciences, Inc.* (a)	6,875	278,231
Arcutis Biotherapeutics, Inc.*	4,241	87,958
Ardelyx, Inc.*	12,958	14,254
Arena Pharmaceuticals, Inc.*	9,499	882,837
Arrowhead Pharmaceuticals, Inc.*	15,524	1,029,241
Atara Biotherapeutics, Inc.*	13,399	211,168
Athenex, Inc.*	13,245	18,013
Athersys, Inc.* (a)	33,481	30,220
Atossa Therapeutics, Inc.*	17,955	28,728
Atreca, Inc. "A"* (a)	3,654	11,072
Aura Biosciences, Inc.*	867	14,722
Avid Bioservices, Inc.* (a)	9,264	270,324
Avidity Biosciences, Inc.*	5,917	140,647
Avita Medical, Inc.*	3,660	43,847
Avrobio, Inc.*	5,779	22,249
Beam Therapeutics, Inc.* (a)	7,843	625,009
Beyondspring, Inc.*	3,302	14,958
BioAtla, Inc.*	2,438	47,858
BioCryst Pharmaceuticals, Inc.* (a)	27,607	382,357
Biohaven Pharmaceutical Holding Co., Ltd.*	8,530	1,175,519
Biomea Fusion, Inc.*	3,411	25,412
Bioxcel Therapeutics, Inc.* (a)	2,532	51,476
Black Diamond Therapeutics, Inc.*	3,653	19,470
Bluebird Bio, Inc.*	10,373	103,626
Blueprint Medicines Corp.*	8,953	958,956
Bolt Biotherapeutics, Inc.* (a)	3,361	16,469
Bridgebio Pharma, Inc.* (a)	16,298	271,851
Brooklyn ImmunoTherapeutics, Inc.*	4,354	18,156
C4 Therapeutics, Inc.* (a)	5,950	191,590
Cardiff Oncology, Inc.*	5,505	33,085
CareDx, Inc.*	7,753	352,606
Caribou Biosciences, Inc.*	3,142	47,413
Catalyst Pharmaceuticals, Inc.*	15,196	102,877
Celcuity, Inc.*	1,379	18,189
Celldex Therapeutics, Inc.* (a)	7,144	276,044
CEL-SCI Corp*	5,598	39,746
Century Therapeutics, Inc.*	1,725	27,358
Cerevel Therapeutics Holdings, Inc.*	6,233	202,074
ChemoCentryx, Inc.*	8,375	304,934
Chimerix, Inc.*	11,169	71,817
Chinook Therapeutics, Inc.*	6,025	98,268
Clene Inc.* (a)	3,513	14,403
Clovis Oncology, Inc.* (a)	16,566	44,894
Codiak Biosciences, Inc.*	2,408	26,825
Cogent Biosciences, Inc.* (a)	5,680	48,734
Coherus Biosciences, Inc.*	10,137	161,787
Cortexyme, Inc.* (a)	2,979	37,595
Crinetics Pharmaceuticals, Inc.* (a)	7,081	201,171
Cue Biopharma, Inc.*	4,881	55,204
Cullinan Oncology, Inc* (a)	3,842	59,282
Curis, Inc.*	13,236	63,003
Cytokinetics, Inc.* (a)	12,143	553,478
CytomX Therapeutics, Inc.*	10,055	43,538
Day One Biopharmaceuticals, Inc.*	1,606	27,061
Deciphera Pharmaceuticals, Inc.*	5,918	57,819
Denali Therapeutics, Inc.*	13,919	620,787
DermTech, Inc.* (a)	3,638	57,480
Design Therapeutics, Inc.* (a)	4,126	88,338
Dynavax Technologies Corp.* (a)	16,746	235,616
Dyne Therapeutics, Inc.* (a)	4,605	54,753
Eagle Pharmaceuticals, Inc.*	1,729	88,041
Editas Medicine, Inc.* (a)	10,611	281,722
Eiger BioPharmaceuticals, Inc.*	5,072	26,324
Eliem Therapeutics, Inc.* (a)	1,019	10,659
Emergent BioSolutions, Inc.*	7,598	330,285
Enanta Pharmaceuticals, Inc.*	3,007	224,863
Entrada Therapeutics, Inc.*	1,448	24,790
Epizyme, Inc.*	13,419	33,547
Erasca, Inc.* (a)	3,048	47,488
Evelo Biosciences, Inc.* (a)	4,653	28,244
Fate Therapeutics, Inc.*	12,443	728,040
FibroGen, Inc.*	13,123	185,034
Finch Therapeutics Group, Inc.*	1,151	11,475

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

	Shares	Value ($)
Foghorn Therapeutics, Inc.*	2,986	68,290
Forma Therapeutics Holdings, Inc.* (a)	5,013	71,285
Forte Biosciences, Inc.*	1,729	3,700
Fortress Biotech, Inc.*	10,826	27,065
Frequency Therapeutics, Inc.* (a)	5,090	26,112
G1 Therapeutics, Inc.* (a)	6,012	61,383
Gemini Therapeutics, Inc.*	3,333	9,699
Generation Bio Co.*	6,531	46,239
Geron Corp.* (a)	46,692	56,964
Global Blood Therapeutics, Inc.*	9,345	273,528
Gossamer Bio, Inc.*	9,395	106,257
Graphite Bio, Inc.*	2,369	29,447
Greenwich Lifesciences, Inc.*	614	14,939
Gritstone bio, Inc.* (a)	6,179	79,462
GT Biopharma, Inc.*	2,456	7,491
Halozyme Therapeutics, Inc.*	21,135	849,838
Harpoon Therapeutics, Inc.*	2,916	22,016
Heron Therapeutics, Inc.* (a)	13,963	127,482
Homology Medicines, Inc.*	6,738	24,526
Hookipa Pharma, Inc.*	3,395	7,910
Humanigen, Inc.*	6,874	25,571
iBio, Inc.*	34,708	19,055
Icosavax, Inc.* (a)	1,981	45,325
Ideaya Biosciences, Inc.*	5,065	119,737
IGM Biosciences, Inc.*	1,223	35,871
Imago Biosciences, Inc.*	1,424	33,763
Immuneering Corp. "A"*	1,194	19,307
Immunic, Inc.*	3,075	29,428
ImmunityBio, Inc.* (a)	10,244	62,284
ImmunoGen, Inc.*	30,408	225,627
Immunovant, Inc.*	6,133	52,253
Impel Neuropharma, Inc.*	723	6,239
Infinity Pharmaceuticals, Inc.*	13,364	30,069
Inhibrx, Inc.* (a)	4,285	187,126
Inovio Pharmaceuticals, Inc.* (a)	32,211	160,733
Inozyme Pharma, Inc.*	1,975	13,469
Insmed, Inc.*	18,147	494,324
Instil Bio, Inc.* (a)	8,309	142,167
Intellia Therapeutics, Inc.*	10,675	1,262,212
Intercept Pharmaceuticals, Inc.* (a)	3,857	62,831
Invitae Corp.* (a)	30,759	469,690
Ironwood Pharmaceuticals, Inc.*	22,713	264,834
iTeos Therapeutics, Inc.*	2,990	139,214
IVERIC bio, Inc.*	17,623	294,657
Janux Therapeutics, Inc.* (a)	1,948	38,434
Jounce Therapeutics, Inc.*	5,032	42,017
KalVista Pharmaceuticals, Inc.*	3,116	41,225
Karuna Therapeutics, Inc.*	3,406	446,186
Karyopharm Therapeutics, Inc.* (a)	11,474	73,778
Keros Therapeutics, Inc.* (a)	2,392	139,956
Kezar Life Sciences, Inc.* (a)	5,428	90,756
Kiniksa Pharmaceuticals Ltd. "A"*	4,174	49,128
Kinnate Biopharma, Inc.*	3,767	66,751
Kodiak Sciences, Inc.* (a)	5,137	435,515
Kronos Bio, Inc.*	5,952	80,888
Krystal Biotech, Inc.*	2,747	192,153
Kura Oncology, Inc.*	9,577	134,078
Kymera Therapeutics, Inc.* (a)	5,333	338,592
Lexicon Pharmaceuticals, Inc.*	10,380	40,897
Ligand Pharmaceuticals, Inc.* (a)	2,333	360,355
Lineage Cell Therapeutics, Inc.* (a)	18,562	45,477
Lyell Immunopharma, Inc.*	3,440	26,626
MacroGenics, Inc.*	9,391	150,726
Madrigal Pharmaceuticals, Inc.* (a)	1,821	154,312
Magenta Therapeutics, Inc.*	4,575	20,267
MannKind Corp.* (a)	38,562	168,516
MaxCyte, Inc.*	14,821	151,026
MEI Pharma, Inc.* (a)	15,242	40,696
MeiraGTx Holdings PLC*	4,590	108,967
Mersana Therapeutics, Inc.*	10,564	65,708
MiMedx Group, Inc.* (a)	17,052	102,994
Mirum Pharmaceuticals, Inc.*	287	4,578
Molecular Templates, Inc.*	5,730	22,462
Monte Rosa Therapeutics, Inc.*	1,696	34,632
Morphic Holding, Inc.*	3,238	153,416
Mustang Bio, Inc.*	11,045	18,335
Myriad Genetics, Inc.*	12,117	334,429
Neoleukin Therapeutics, Inc.*	5,089	24,529
NexImmune, Inc.*	2,574	11,866
Nkarta, Inc.*	2,156	33,095
Nurix Therapeutics, Inc.* (a)	4,806	139,134
Nuvalent, Inc. "A"*	1,585	30,178
Ocugen, Inc.* (a)	28,302	128,774
Olema Pharmaceuticals, Inc.* (a)	3,732	34,932
Omega Therapeutics, Inc.*	1,055	11,953
Oncocyte Corp.*	10,247	22,236
Oncorus, Inc.*	3,123	16,458
Oncternal Therapeutics, Inc.*	6,739	15,298
OPKO Health, Inc.* (a)	61,943	297,946
Organogenesis Holdings, Inc.*	5,846	54,017
ORIC Pharmaceuticals, Inc.* (a)	4,704	69,149

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

	Shares	Value ($)
Outlook Therapeutics, Inc.*	13,336	18,137
Oyster Point Pharma, Inc.*	1,696	30,969
Passage Bio, Inc.*	5,678	36,055
PMV Pharmaceuticals, Inc.* (a)	4,022	92,908
Portage Biotech, Inc.*	548	5,880
Poseida Therapeutics, Inc.*	4,323	29,440
Praxis Precision Medicines, Inc.* (a)	5,162	101,691
Precigen, Inc.*	14,534	53,921
Precision BioSciences, Inc.*	7,836	57,986
Prelude Therapeutics, Inc.* (a)	1,618	20,144
Prometheus Biosciences, Inc.* (a)	4,609	182,240
Protagonist Therapeutics, Inc.* (a)	6,778	231,808
Prothena Corp. PLC*	5,538	273,577
PTC Therapeutics, Inc.*	10,687	425,663
Puma Biotechnology, Inc.*	4,810	14,622
Pyxis Oncology, Inc.*	1,727	18,945
Radius Health, Inc.* (a)	7,334	50,751
Rallybio Corp.*	955	9,111
RAPT Therapeutics, Inc.*	3,292	120,915
Recursion Pharmaceuticals, Inc. "A"* (a)	17,684	302,927
REGENXBIO, Inc.*	6,176	201,955
Relay Therapeutics, Inc.*	10,728	329,457
Reneo Pharmaceuticals, Inc.*	1,096	9,371
Replimune Group, Inc.*	4,653	126,096
REVOLUTION Medicines, Inc.* (a)	9,148	230,255
Rhythm Pharmaceuticals, Inc.*	6,753	67,395
Rigel Pharmaceuticals, Inc.*	25,327	67,117
Rocket Pharmaceuticals, Inc.*	6,212	135,608
Rubius Therapeutics, Inc.* (a)	6,913	66,918
Sana Biotechnology, Inc.* (a)	13,425	207,819
Sangamo Therapeutics, Inc.*	18,637	139,777
Scholar Rock Holding Corp.* (a)	4,350	108,054
Selecta Biosciences, Inc.*	13,726	44,747
Sensei Biotherapeutics, Inc.*	3,114	18,061
Sera Prognostics, Inc. "A"*	516	3,545
Seres Therapeutics, Inc.*	10,676	88,931
Sesen Bio, Inc.*	26,218	21,368
Shattuck Labs, Inc.*	4,078	34,704
Sigilon Therapeutics, Inc.*	2,035	5,617
Silverback Therapeutics, Inc.* (a)	3,308	22,031
Solid Biosciences, Inc.*	9,102	15,928
Sorrento Therapeutics, Inc.* (a)	45,820	213,063
Spectrum Pharmaceuticals, Inc.*	24,947	31,683
Spero Therapeutics, Inc.*	3,443	55,122
SpringWorks Therapeutics, Inc.*	4,482	277,794
Spruce Biosciences, Inc.* (a)	1,143	5,098
SQZ Biotechnologies Co.* (a)	3,478	31,059
Stoke Therapeutics, Inc.*	2,923	70,123
Summit Therapeutics, Inc.*	3,405	9,159
Surface Oncology, Inc.*	5,050	24,139
Sutro Biopharma, Inc.*	6,637	98,759
Syndax Pharmaceuticals, Inc.*	6,894	150,910
Syros Pharmaceuticals, Inc.*	8,330	27,156
Talaris Therapeutics, Inc.*	3,330	50,916
Taysha Gene Therapies, Inc.* (a)	3,409	39,715
TCR2 Therapeutics, Inc.*	4,733	22,056
Tenaya Therapeutics, Inc.* (a)	2,043	38,715
TG Therapeutics, Inc.*	19,868	377,492
Tonix Pharmaceuticals Holding Corp.* (a)	70,128	25,085
Travere Therapeutics, Inc.*	9,045	280,757
Trevena, Inc.*	25,031	14,581
Turning Point Therapeutics, Inc.*	7,063	336,905
Twist Bioscience Corp.* (a)	7,237	560,071
Tyra Biosciences, Inc.*	1,915	26,944
UroGen Pharma Ltd.* (a)	3,025	28,768
Vanda Pharmaceuticals, Inc.*	8,210	128,815
Vaxart, Inc.* (a)	18,328	114,917
Vaxcyte, Inc.* (a)	6,100	145,119
VBI Vaccines, Inc.* (a)	28,377	66,402
Vera Therapeutics, Inc.*	1,560	41,683
Veracyte, Inc.*	10,342	426,090
Verastem, Inc.*	27,171	55,701
Vericel Corp.* (a)	7,109	279,384
Verve Therapeutics, Inc.* (a)	2,355	86,829
Viking Therapeutics, Inc.*	10,059	46,271
Vincerx Pharma, Inc.*	2,632	26,820
Vir Biotechnology, Inc.*	9,210	385,623
Viracta Therapeutics, Inc.*	5,563	20,305
VistaGen Therapeutics, Inc.* (a)	29,306	57,147
Vor BioPharma, Inc.*	2,768	32,164
Werewolf Therapeutics, Inc.*	4,104	48,879
XBiotech, Inc.	2,119	23,584
Xencor, Inc.*	8,682	348,322
Xilio Therapeutics, Inc.*	1,210	19,360
XOMA Corp.*	1,030	21,475
Y-mAbs Therapeutics, Inc.*	5,362	86,918

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

	Shares	Value ($)
Zentalis Pharmaceuticals, Inc.*	5,556	467,037
ZIOPHARM Oncology, Inc.* (a)	30,832	33,607
		38,370,745
Health Care Equipment & Supplies 3.1%		
Accelerate Diagnostics, Inc.* (a)	5,301	27,671
Accuray, Inc.*	14,218	67,820
Acutus Medical, Inc.*	2,691	9,176
Alphatec Holdings, Inc.*	10,554	120,632
AngioDynamics, Inc.*	5,792	159,743
Apyx Medical Corp.*	4,922	63,100
Asensus Surgical, Inc.* (a)	35,936	39,889
Aspira Women's Health, Inc.*	11,120	19,682
AtriCure, Inc.*	6,848	476,141
Atrion Corp.	210	148,029
Avanos Medical, Inc.*	7,346	254,686
Axogen, Inc.*	5,986	56,089
Axonics, Inc.*	7,034	393,904
BioLife Solutions, Inc.*	1,594	59,408
Bioventus, Inc. "A"*	4,604	66,712
Butterfly Network, Inc.* (a)	19,203	128,468
Cardiovascular Systems, Inc.*	6,171	115,891
Cerus Corp.*	26,336	179,348
ClearPoint Neuro, Inc.*	2,881	32,325
CONMED Corp.	4,419	626,437
CryoLife, Inc.*	5,766	117,338
CryoPort, Inc.*	6,275	371,292
Cue Health, Inc.*	2,323	31,151
Cutera, Inc.*	2,722	112,473
CVRx, Inc.* (a)	1,270	15,532
CytoSorbents Corp.*	6,431	26,946
DarioHealth Corp.*	2,068	26,822
Eargo, Inc.*	4,821	24,587
Glaukos Corp.*	6,964	309,480
Haemonetics Corp.*	7,791	413,235
Heska Corp.* (a)	1,520	277,385
Inari Medical, Inc.*	5,257	479,806
Inogen, Inc.*	2,986	101,524
Integer Holdings Corp.*	5,079	434,712
Intersect ENT, Inc.*	5,217	142,476
Invacare Corp.*	5,137	13,973
iRadimed Corp.*	1,016	46,949
iRhythm Technologies, Inc.*	4,557	536,313
Lantheus Holdings, Inc.*	10,285	297,134
LeMaitre Vascular, Inc.	2,860	143,658
LivaNova PLC*	8,171	714,391
Meridian Bioscience, Inc.*	6,361	129,764
Merit Medical Systems, Inc.*	7,794	485,566
Mesa Laboratories, Inc.	773	253,614
Natus Medical, Inc.*	5,043	119,670
Neogen Corp.*	16,565	752,217

	Shares	Value ($)
Neuronetics, Inc.*	3,831	17,086
NeuroPace, Inc.*	1,062	10,705
Nevro Corp.*	5,296	429,347
NuVasive, Inc.*	8,015	420,627
OraSure Technologies, Inc.*	10,660	92,635
Ortho Clinical Diagnostics Holdings PLC*	18,314	391,736
Orthofix Medical, Inc.*	2,868	89,166
OrthoPediatrics Corp.*	2,118	126,783
Outset Medical, Inc.* (a)	7,097	327,101
Paragon 28, Inc.*	1,382	24,448
PAVmed, Inc.*	10,684	26,283
PROCEPT BioRobotics Corp.*	1,158	28,962
Pulmonx Corp.* (a)	3,897	124,977
Pulse Biosciences, Inc.* (a)	2,153	31,886
Quotient Ltd.*	12,092	31,318
Retractable Technologies, Inc.* (a)	2,526	17,505
RxSight, Inc.*	1,538	17,303
SeaSpine Holdings Corp.*	4,869	66,316
Senseonics Holdings, Inc.* (a)	67,153	179,299
Shockwave Medical, Inc.*	5,166	921,253
SI-BONE, Inc.*	4,922	109,318
Sientra, Inc.*	8,318	30,527
Sight Sciences, Inc.*	1,580	27,761
Silk Road Medical, Inc.*	5,302	225,918
STAAR Surgical Co.*	7,265	663,295
Stereotaxis, Inc.*	7,906	49,017
Surmodics, Inc.*	2,093	100,778
Tactile Systems Technology, Inc.*	2,930	55,758
Talis Biomedical Corp.*	2,153	8,634
TransMedics Group, Inc.*	4,014	76,908
Treace Medical Concepts, Inc.*	4,636	86,415
Utah Medical Products, Inc.	540	54,000
Vapotherm, Inc.*	3,510	72,692
Varex Imaging Corp.*	5,958	187,975
ViewRay, Inc.*	21,404	117,936
Zynex, Inc.*	3,097	30,877
		14,695,704
Health Care Providers & Services 2.9%		
1Life Healthcare, Inc.*	17,918	314,819
Accolade, Inc.*	7,912	208,560
AdaptHealth Corp.*	11,075	270,895
Addus HomeCare Corp.*	2,391	223,582
Agiliti, Inc.* (a)	3,464	80,226
AirSculpt Technologies, Inc.*	1,105	18,995
Alignment Healthcare, Inc.*	12,157	170,927
AMN Healthcare Services, Inc.*	7,197	880,409
Apollo Medical Holdings, Inc.* (a)	5,808	426,772
Apria, Inc.*	2,974	96,952

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

	Shares	Value ($)
Aveanna Healthcare Holdings, Inc.*	5,986	44,296
Biodesix, Inc.*	1,882	9,956
Brookdale Senior Living, Inc.*	28,385	146,467
Castle Biosciences, Inc.*	3,180	136,327
Community Health Systems, Inc.*	19,163	255,060
CorVel Corp.* (a)	1,368	284,544
Covetrus, Inc.*	15,822	315,965
Cross Country Healthcare, Inc.*	5,540	153,790
Exagen, Inc.*	1,684	19,585
Fulgent Genetics, Inc.* (a)	3,184	320,279
Hanger, Inc.*	5,604	101,601
HealthEquity, Inc.*	12,622	558,397
InfuSystems Holdings, Inc.*	2,777	47,292
Innovage Holding Corp.*	2,834	14,170
LHC Group, Inc.*	4,652	638,394
LifeStance Health Group, Inc.* (a)	6,906	65,745
Magellan Health, Inc.*	3,591	341,109
MEDNAX, Inc.*	11,791	320,833
ModivCare, Inc.*	1,926	285,607
National HealthCare Corp.	1,872	127,184
National Research Corp.	2,056	85,365
Ontrack, Inc.*	1,246	7,837
Option Care Health, Inc.*	24,297	691,007
Owens & Minor, Inc.	11,165	485,677
Patterson Companies, Inc.	13,170	386,539
PetIQ, Inc.* (a)	4,056	92,112
Privia Health Group, Inc.*	2,462	63,692
Progyny, Inc.*	9,847	495,796
R1 RCM, Inc.*	18,329	467,206
RadNet, Inc.*	6,929	208,632
Select Medical Holdings Corp.	16,810	494,214
Sharps Compliance Corp.*	2,351	16,763
SOC Telemed, Inc.*	8,632	11,049
Surgery Partners, Inc.*	5,187	277,038
Tenet Healthcare Corp.*	16,199	1,323,296
The Ensign Group, Inc.	8,002	671,848
The Joint Corp.*	2,095	137,621
The Pennant Group, Inc.*	3,857	89,020
Tivity Health, Inc.*	6,608	174,716
Triple-S Management Corp.*	3,406	121,526
U.S. Physical Therapy, Inc. (a)	1,953	186,609
Viemed Healthcare, Inc.*	5,371	28,037
		13,394,338
Health Care Technology 1.1%		
Allscripts Healthcare Solutions, Inc.*	18,477	340,901
American Well Corp. "A"*	28,538	172,369
Castlight Health, Inc. "B"*	18,342	28,247
Computer Programs & Systems, Inc.*	2,115	61,969
Convey Health Solutions Holdings, Inc.*	2,195	18,350
Evolent Health, Inc. "A"*	12,192	337,353
Forian, Inc.*	2,788	25,148
Health Catalyst, Inc.*	8,040	318,545
HealthStream, Inc.*	3,730	98,323
iCAD, Inc.*	3,128	22,522
Inspire Medical Systems, Inc.*	4,117	947,157
Multiplan Corp.* (a)	58,315	258,335
NantHealth, Inc.*	5,014	5,290
NextGen Healthcare, Inc.*	8,795	156,463
Omnicell, Inc.*	6,675	1,204,437
OptimizeRx Corp.*	2,669	165,771
Phreesia, Inc.*	7,587	316,074
Schrodinger, Inc.* (a)	7,065	246,074
Simulations Plus, Inc. (a)	2,381	112,621
Tabula Rasa HealthCare, Inc.* (a)	3,409	51,135
Vocera Communications, Inc.*	5,295	343,328
		5,230,412
Life Sciences Tools & Services 0.8%		
Absci Corp.* (a)	1,959	16,064
Akoya Biosciences, Inc.*	2,127	32,564
Alpha Teknova, Inc.*	1,002	20,521
Berkeley Lights, Inc.* (a)	7,366	133,914
Bionano Genomics, Inc.* (a)	43,832	131,058
ChromaDex Corp.*	7,696	28,783
Codex DNA, Inc.*	1,043	11,264
Codexis, Inc.*	9,220	288,309
Cytek Biosciences, Inc.*	2,392	39,037
Fluidigm Corp.*	11,244	44,077
Harvard Bioscience, Inc.*	6,434	45,360
Inotiv, Inc.* (a)	2,267	95,373
IsoPlexis Corp.*	1,320	12,131
Medpace Holdings, Inc.*	4,423	962,622
NanoString Technologies, Inc.*	7,064	298,313
NeoGenomics, Inc.*	17,358	592,255
Pacific Biosciences of California, Inc.*	29,762	608,931
Personalis, Inc.*	5,460	77,914
Quanterix Corp.*	4,816	204,198
Rapid Micro Biosystems, Inc. "A"*	1,116	11,874
Seer, Inc.* (a)	6,224	141,969
Singular Genomics Systems Inc.*	1,677	19,386
		3,815,917
Pharmaceuticals 1.4%		
9 Meters Biopharma, Inc.*	32,519	31,826
Aclaris Therapeutics, Inc.* (a)	7,772	113,005
Aerie Pharmaceuticals, Inc.* (a)	6,490	45,560

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

	Shares	Value ($)
Amneal Pharmaceuticals, Inc.*	15,449	74,001
Amphastar Pharmaceuticals, Inc.*	5,776	134,523
Ampio Pharmaceuticals, Inc.*	28,996	16,528
Angion Biomedica Corp.*	3,126	9,065
ANI Pharmaceuticals, Inc.*	1,679	77,368
Antares Pharma, Inc.*	25,905	92,481
Arvinas, Inc.*	7,213	592,476
Atea Pharmaceuticals, Inc.*	9,649	86,262
Athira Pharma, Inc.* (a)	4,925	64,173
Avalo Therapeutics, Inc.*	8,757	14,887
Axsome Therapeutics, Inc.* (a)	4,264	161,094
BioDelivery Sciences International, Inc.*	13,810	42,811
Cara Therapeutics, Inc.*	6,518	79,389
Cassava Sciences, Inc.* (a)	5,938	259,491
Citius Pharmaceuticals, Inc.* (a)	17,411	26,813
Collegium Pharmaceutical, Inc.*	5,452	101,843
Corcept Therapeutics, Inc.* (a)	14,605	289,179
CorMedix, Inc.*	6,430	29,256
Cymabay Therapeutics, Inc.*	10,657	36,021
Cyteir Therapeutics, Inc.*	1,192	13,553
DICE Therapeutics, Inc.*	2,170	54,923
Durect Corp.*	36,276	35,765
Edgewise Therapeutics, Inc.* (a)	5,966	91,160
Endo International PLC*	35,462	133,337
Esperion Therapeutics, Inc.*	4,147	20,735
Evolus, Inc.*	4,943	32,179
EyePoint Pharmaceuticals, Inc.*	3,227	39,498
Fulcrum Therapeutics, Inc.* (a)	3,956	69,982
Harmony Biosciences Holdings, Inc.*	3,434	146,426
Ikena Oncology, Inc.*	4,321	54,185
Innoviva, Inc.*	6,876	118,611
Intra-Cellular Therapies, Inc.* (a)	10,836	567,156
Kala Pharmaceuticals, Inc.*	7,896	9,554
Kaleido Biosciences, Inc.*	2,389	5,710
KemPharm, Inc.*	4,383	38,176
Landos Biopharma, Inc.*	617	2,962
Marinus Pharmaceuticals, Inc.*	5,675	67,419
Mind Medicine MindMed, Inc.* (a)	51,517	71,093
NGM Biopharmaceuticals, Inc.*	4,818	85,327
Nuvation Bio, Inc.* (a)	24,388	207,298
Ocular Therapeutix, Inc.*	11,617	80,970
Omeros Corp.* (a)	8,907	57,272
Oramed Pharmaceuticals, Inc.*	4,497	64,217
Pacira BioSciences, Inc.*	6,798	409,036
Paratek Pharmaceuticals, Inc.*	6,988	31,376
Phathom Pharmaceuticals, Inc.* (a)	3,105	61,075
Phibro Animal Health Corp. "A"	3,142	64,160
Pliant Therapeutics, Inc.*	3,531	47,668
Prestige Consumer Healthcare, Inc.*	7,588	460,212
Provention Bio, Inc.* (a)	8,664	48,692
Rain Therapeutics, Inc.*	2,513	32,367
Reata Pharmaceuticals, Inc. "A"* (a)	4,257	112,257
Relmada Therapeutics, Inc.*	2,318	52,225
Revance Therapeutics, Inc.*	11,009	179,667
Seelos Therapeutics, Inc.*	13,947	22,734
SIGA Technologies, Inc.*	7,275	54,708
Supernus Pharmaceuticals, Inc.*	7,513	219,079
Tarsus Pharmaceuticals, Inc.*	1,379	31,027
Terns Pharmaceuticals, Inc.*	1,924	13,603
TherapeuticsMD, Inc.* (a)	54,921	19,524
Theravance Biopharma, Inc.*	9,299	102,754
Theseus Pharmaceuticals, Inc.* (a)	1,848	23,433
Ventyx Biosciences, Inc.* (a)	1,638	32,531
Verrica Pharmaceuticals, Inc.*	2,141	19,612
WaVe Life Sciences Ltd.*	5,506	17,289
Zogenix, Inc.*	9,001	146,266
		6,646,855
Industrials 14.8%		
Aerospace & Defense 0.6%		
AAR Corp.*	5,141	200,653
Aerojet Rocketdyne Holdings, Inc.	11,546	539,891
AeroVironment, Inc.*	3,487	216,299
AerSale Corp.*	1,422	25,226
Astronics Corp.*	3,430	41,160
Byrna Technologies, Inc.*	2,742	36,606
Cadre Holdings, Inc.*	947	24,073
Ducommun, Inc.*	1,690	79,041
Kaman Corp.	4,241	182,999
Kratos Defense & Security Solutions, Inc.*	18,755	363,847
Maxar Technologies, Inc.	11,065	326,749
Moog, Inc. "A"	4,373	354,082
National Presto Industries, Inc.	791	64,886
PAE, Inc.*	10,705	106,301
Park Aerospace Corp.	2,688	35,481
Parsons Corp.*	4,038	135,879

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	Shares	Value ($)
Triumph Group, Inc.*	9,930	184,003
Vectrus, Inc.*	1,813	82,981
		3,000,157
Air Freight & Logistics 0.4%		
Air Transport Services Group, Inc.*	9,004	264,538
Atlas Air Worldwide Holdings, Inc.*	4,437	417,610
Forward Air Corp.	4,081	494,168
Hub Group, Inc. "A"*	5,097	429,371
Radiant Logistics, Inc.*	5,654	41,218
		1,646,905
Airlines 0.3%		
Allegiant Travel Co.*	2,352	439,918
Frontier Group Holdings, Inc.*	5,328	72,301
Hawaiian Holdings, Inc.*	7,822	143,690
Mesa Air Group, Inc.*	5,331	29,854
SkyWest, Inc.*	7,703	302,728
Spirit Airlines, Inc.*	15,236	332,906
Sun Country Airlines Holdings, Inc.*	4,752	129,492
		1,450,889
Building Products 1.3%		
AAON, Inc.	6,463	513,356
American Woodmark Corp.*	2,528	164,826
Apogee Enterprises, Inc.	3,839	184,848
Caesarstone Ltd.	3,272	37,104
Cornerstone Building Brands, Inc.*	8,433	147,071
CSW Industrials, Inc.	2,304	278,461
Gibraltar Industries, Inc.*	5,075	338,401
Griffon Corp.	7,041	200,528
Insteel Industries, Inc.	2,877	114,533
JELD-WEN Holding, Inc.*	13,846	364,981
Masonite International Corp.*	3,606	425,328
PGT Innovations, Inc.*	8,782	197,507
Quanex Building Products Corp.	4,928	122,116
Resideo Technologies, Inc.*	22,094	575,107
Simpson Manufacturing Co., Inc.	6,685	929,683
UFP Industries, Inc.	9,228	849,068
View, Inc.* (a)	21,465	83,928
Zurn Water Solutions Corp.	18,680	679,952
		6,206,798
Commercial Services & Supplies 1.7%		
ABM Industries, Inc.	10,339	422,348
ACCO Brands Corp.	14,690	121,339
Aris Water Solution, Inc. "A"*	3,035	39,303
Brady Corp. "A"	7,251	390,829
BrightView Holdings, Inc.*	6,014	84,677
Casella Waste Systems, Inc. "A"*	7,559	645,690

	Shares	Value ($)
CECO Environmental Corp.*	4,425	27,568
Cimpress PLC*	2,616	187,332
CompX International, Inc.	256	5,752
CoreCivic, Inc.*	18,400	183,448
Deluxe Corp.	6,525	209,518
Ennis, Inc.	4,003	78,179
Harsco Corp.* (a)	12,241	204,547
Healthcare Services Group, Inc. (a)	11,585	206,097
Heritage-Crystal Clean, Inc.*	2,491	79,762
HNI Corp.	6,711	282,198
Interface, Inc.	8,677	138,398
KAR Auction Services, Inc.*	18,340	286,471
Kimball International, Inc. "B"	5,579	57,073
Matthews International Corp. "A"	4,690	171,982
MillerKnoll, Inc.	11,470	449,509
Montrose Environmental Group, Inc.*	3,993	281,546
NL Industries, Inc.	1,487	11,004
Pitney Bowes, Inc.	26,549	176,020
RR Donnelley & Sons Co.*	10,908	122,824
SP Plus Corp.*	3,660	103,285
Steelcase, Inc. "A"	12,921	151,434
Team, Inc.*	3,398	3,704
Tetra Tech, Inc.	8,225	1,396,605
The Brink's Co.	7,305	478,989
U.S. Ecology, Inc.*	4,825	154,111
UniFirst Corp.	2,317	487,497
Viad Corp.*	3,035	129,868
VSE Corp.	1,559	95,005
		7,863,912
Construction & Engineering 1.5%		
Ameresco, Inc. "A"*	4,757	387,410
API Group Corp. 144A*	30,748	792,376
Arcosa, Inc.	7,331	386,344
Argan, Inc.	2,205	85,312
Comfort Systems U.S.A., Inc.	5,481	542,290
Concrete Pumping Holdings, Inc.*	3,639	29,840
Construction Partners, Inc. "A"*	4,412	129,757
Dycom Industries, Inc.*	4,493	421,264
EMCOR Group, Inc.	8,175	1,041,413
Fluor Corp.*	21,873	541,794
Granite Construction, Inc.	7,103	274,886
Great Lakes Dredge & Dock Corp.*	10,147	159,511
IES Holdings, Inc.*	1,268	64,212
Infrastructure and Energy Alternatives, Inc.*	4,068	37,426
INNOVATE Corp.*	6,830	25,271
Matrix Service Co.*	4,083	30,704
MYR Group, Inc.*	2,553	282,234
Northwest Pipe Co.*	1,413	44,933

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

	Shares	Value ($)
NV5 Global, Inc.*	2,009	277,483
Primoris Services Corp.	8,337	199,921
Sterling Construction Co., Inc.*	4,316	113,511
Tutor Perini Corp.*	6,512	80,553
WillScot Mobile Mini Holdings Corp*	32,225	1,316,069
		7,264,514
Electrical Equipment 1.0%		
Advent Technologies Holdings, Inc.*	2,624	18,394
Allied Motion Technologies, Inc.	1,884	68,747
American Superconductor Corp.*	4,125	44,880
Array Technologies, Inc.*	19,702	309,124
Atkore, Inc.*	7,040	782,778
AZZ, Inc.	3,738	206,674
Babcock & Wilcox Enterprises, Inc.*	8,521	76,859
Beam Global*	1,351	25,129
Blink Charging Co.* (a)	5,606	148,615
Bloom Energy Corp. "A"* (a)	21,776	477,548
Encore Wire Corp.	3,006	430,159
EnerSys	6,522	515,629
Eos Energy Enterprises, Inc.*	6,349	47,745
FTC Solar, Inc.*	2,958	22,362
FuelCell Energy, Inc.* (a)	56,663	294,648
GrafTech International, Ltd.	30,518	361,028
Powell Industries, Inc.	1,308	38,573
Preformed Line Products Co.	404	26,139
Romeo Power, Inc.* (a)	20,015	73,055
Stem, Inc.* (a)	17,485	331,690
Thermon Group Holdings, Inc.*	5,197	87,985
TPI Composites, Inc.*	5,491	82,145
Vicor Corp.*	3,265	414,590
		4,884,496
Machinery 3.7%		
AgEagle Aerial Systems, Inc.*	10,273	16,129
Alamo Group, Inc.	1,491	219,445
Albany International Corp. "A"	4,657	411,912
Altra Industrial Motion Corp.	10,001	515,752
Astec Industries, Inc.	3,457	239,466
Barnes Group, Inc.	7,151	333,165
Blue Bird Corp.*	2,368	37,036
Chart Industries, Inc.* (a)	5,574	888,997
CIRCOR International, Inc.*	2,832	76,974
Columbus McKinnon Corp.	4,274	197,715
Commercial Vehicle Group, Inc.*	4,934	39,768
Desktop Metal, Inc. "A"* (a)	29,120	144,144
Douglas Dynamics, Inc.	3,379	131,984
Energy Recovery, Inc.*	6,511	139,921
Enerpac Tool Group Corp.	9,255	187,691
EnPro Industries, Inc.	3,186	350,683
ESCO Technologies, Inc.	3,897	350,691
Evoqua Water Technologies Corp.*	17,641	824,717
Federal Signal Corp.	9,264	401,502
Franklin Electric Co., Inc.	7,094	670,809
Gorman-Rupp Co.	3,377	150,445
Greenbrier Companies, Inc.	4,963	227,752
Helios Technologies, Inc.	4,979	523,641
Hillenbrand, Inc.	11,246	584,680
Hydrofarm Holdings Group, Inc.* (a)	6,022	170,362
Hyliion Holdings Corp.* (a)	18,034	111,811
Hyster-Yale Materials Handling, Inc.	1,567	64,404
Ideanomics, Inc.* (a)	67,752	81,302
John Bean Technologies Corp.	4,830	741,695
Kadant, Inc.	1,746	402,418
Kennametal, Inc.	12,889	462,844
Lindsay Corp.	1,696	257,792
Luxfer Holdings PLC	4,440	85,736
Mayville Engineering Co., Inc.*	1,165	17,370
Meritor, Inc.*	10,528	260,884
Miller Industries, Inc.	1,713	57,214
Mueller Industries, Inc.	8,606	510,852
Mueller Water Products, Inc. "A"	23,786	342,518
Nikola Corp.* (a)	34,811	343,585
NN, Inc.*	7,174	29,413
Omega Flex, Inc.	450	57,128
Park-Ohio Holdings Corp.	1,208	25,573
Proto Labs, Inc.*	4,311	221,370
RBC Bearings, Inc.*	4,267	861,806
REV Group, Inc.	4,423	62,585
Shyft Group, Inc.	5,242	257,539
SPX Corp.*	6,761	403,496
SPX FLOW, Inc.	6,333	547,678
Standex International Corp.	1,860	205,828
Tennant Co.	2,818	228,371
Terex Corp.	10,550	463,673
The Manitowoc Co., Inc.*	5,321	98,917
Titan International, Inc.*	7,771	85,170
TriMas Corp.	6,626	245,162
Trinity Industries, Inc.	11,678	352,676
Wabash National Corp.	7,648	149,289
Watts Water Technologies, Inc. "A"	4,215	818,427
Welbilt, Inc.*	20,192	479,964
		17,169,871
Marine 0.2%		
Costamare, Inc.	7,787	98,506
Eagle Bulk Shipping, Inc.	1,283	58,376

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

	Shares	Value ($)
Genco Shipping & Trading Ltd.	4,947	79,152
Matson, Inc.	6,323	569,260
Safe Bulkers, Inc.*	9,520	35,890
		841,184
Professional Services 1.7%		
Acacia Research Corp.*	7,472	38,331
ASGN, Inc.*	7,752	956,597
Atlas Technical Consultants, Inc.*	2,067	17,404
Barrett Business Services, Inc.	1,203	83,079
CBIZ, Inc.*	7,384	288,862
CRA International, Inc.	1,072	100,082
Exponent, Inc.	7,982	931,739
First Advantage Corp.*	8,373	159,422
Forrester Research, Inc.*	1,718	100,898
Franklin Covey Co.*	1,926	89,289
Heidrick & Struggles International, Inc.	3,033	132,633
HireQuest, Inc.	779	15,705
HireRight Holdings Corp.*	3,335	53,360
Huron Consulting Group, Inc.*	3,241	161,726
ICF International, Inc.	2,871	294,421
Insperity, Inc.	5,588	659,999
KBR, Inc.	21,541	1,025,783
Kelly Services, Inc. "A"	5,377	90,172
Kforce, Inc.	3,096	232,881
Korn Ferry	8,186	619,926
ManTech International Corp. "A"	4,214	307,327
Mistras Group, Inc.*	2,950	21,919
Resources Connection, Inc.	4,683	83,545
Sterling Check Corp.*	2,432	49,880
TriNet Group, Inc.*	6,227	593,184
TrueBlue, Inc.*	5,326	147,370
Upwork, Inc.*	18,052	616,656
Willdan Group, Inc.*	1,623	57,130
		7,929,320
Road & Rail 0.9%		
ArcBest Corp.	3,899	467,295
Avis Budget Group, Inc.*	6,320	1,310,578
Covenant Logistics Group, Inc.*	1,733	45,803
Daseke, Inc.*	5,765	57,881
Heartland Express, Inc.	7,189	120,919
HyreCar, Inc.*	2,692	12,679
Marten Transport Ltd.	8,921	153,084
P.A.M. Transportation Services, Inc.*	527	37,422
Saia, Inc.*	4,051	1,365,309
U.S. Xpress Enterprises, Inc. "A"*	4,479	26,292
Universal Logistics Holdings, Inc.	1,353	25,518
Werner Enterprises, Inc.	9,348	445,526
Yellow Corp.*	7,738	97,421
		4,165,727
Trading Companies & Distributors 1.5%		
Alta Equipment Group, Inc.*	2,939	43,027
Applied Industrial Technologies, Inc.	5,839	599,665
Beacon Roofing Supply, Inc.*	8,618	494,242
BlueLinx Holdings, Inc.*	1,378	131,957
Boise Cascade Co.	6,059	431,401
Custom Truck One Source, Inc.*	6,878	55,024
DXP Enterprises, Inc.* (a)	2,623	67,332
EVI Industries, Inc.*	839	26,202
GATX Corp. (a)	5,364	558,875
Global Industrial Co.	2,010	82,209
GMS, Inc.*	6,607	397,147
H&E Equipment Services, Inc.	4,875	215,816
Herc Holdings, Inc.	3,809	596,299
Karat Packaging, Inc.*	711	14,369
Lawson Products, Inc.*	770	42,158
McGrath RentCorp.	3,679	295,277
MRC Global, Inc.*	12,309	84,686
NOW, Inc.*	16,588	141,662
Rush Enterprises, Inc. "A"	6,523	362,940
Rush Enterprises, Inc. "B"	956	51,595
Textainer Group Holdings Ltd. (a)	7,183	256,505
Titan Machinery, Inc.*	2,927	98,611
Transcat, Inc.*	1,066	98,530
Triton International Ltd.	10,275	618,863
Veritiv Corp.*	2,180	267,203
WESCO International, Inc.*	6,785	892,838
Willis Lease Finance Corp.*	491	18,486
		6,942,919
Information Technology 14.1%		
Communications Equipment 0.8%		
ADTRAN, Inc.	7,559	172,572
Aviat Networks, Inc.*	1,649	52,900
CalAmp Corp.*	5,260	37,136
Calix, Inc.*	8,502	679,905
Cambium Networks Corp.*	1,570	40,239
Casa Systems, Inc.*	4,292	24,336
Clearfield, Inc.*	1,783	150,521
Comtech Telecommunications Corp.	3,836	90,875
Digi International, Inc.* (a)	5,256	129,140
DZS, Inc.*	2,494	40,453
EMCORE Corp.*	5,639	39,360
Extreme Networks, Inc.*	19,202	301,471
Harmonic, Inc.*	13,845	162,817
Infinera Corp.* (a)	28,143	269,891
Inseego Corp.* (a)	12,848	74,904

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

	Shares	Value ($)
KVH Industries, Inc.*	2,389	21,955
NETGEAR, Inc.*	4,579	133,752
NetScout Systems, Inc.*	10,812	357,661
Plantronics, Inc.*	6,550	192,177
Ribbon Communications, Inc.*	10,566	63,924
Viavi Solutions, Inc.*	36,603	644,945
		3,680,934
Electronic Equipment, Instruments & Components 2.3%		
908 Devices, Inc.* (a)	2,913	75,359
Advanced Energy Industries, Inc.	5,772	525,598
Aeva Technologies, Inc.* (a)	16,288	123,137
Akoustis Technologies, Inc.* (a)	6,877	45,938
Arlo Technologies, Inc.*	12,589	132,059
Badger Meter, Inc.	4,441	473,233
Belden, Inc.	6,821	448,344
Benchmark Electronics, Inc. (a)	5,510	149,321
CTS Corp.	4,830	177,358
Daktronics, Inc.*	4,972	25,109
ePlus, Inc.*	4,072	219,399
Fabrinet*	5,689	673,976
FARO Technologies, Inc.*	2,796	195,776
Identiv, Inc.*	3,177	89,401
II-VI, Inc.* (a)	16,206	1,107,356
Insight Enterprises, Inc.*	5,234	557,944
Iteris, Inc.*	6,737	26,948
Itron, Inc.*	6,908	473,336
Kimball Electronics, Inc.*	3,594	78,205
Knowles Corp.*	13,533	315,996
Luna Innovations, Inc.*	4,492	37,913
Methode Electronics, Inc. (a)	5,915	290,841
MicroVision, Inc.* (a)	25,603	128,271
Napco Security Technologies, Inc.*	2,158	107,857
nLight, Inc.*	6,535	156,513
Novanta, Inc.*	5,388	950,066
OSI Systems, Inc.*	2,544	237,101
Ouster, Inc.* (a)	24,153	125,596
PAR Technology Corp.* (a)	3,813	201,212
PC Connection, Inc.	1,727	74,486
Plexus Corp.*	4,319	414,149
Rogers Corp.*	2,858	780,234
Sanmina Corp.*	9,605	398,223
ScanSource, Inc.*	3,955	138,741
TTM Technologies, Inc.*	15,648	233,155
Velodyne Lidar, Inc.*	10,869	50,432
Vishay Intertechnology, Inc.	20,484	447,985
Vishay Precision Group, Inc.*	1,914	71,048
		10,757,616

	Shares	Value ($)
IT Services 1.5%		
BigCommerce Holdings, Inc.*	7,480	264,568
Brightcove, Inc.*	6,293	64,314
Cantaloupe, Inc.*	8,950	79,476
Cass Information Systems, Inc.	2,092	82,257
Conduent, Inc.*	25,797	137,756
CSG Systems International, Inc.	5,016	289,022
DigitalOcean Holdings, Inc.*	7,762	623,521
EVERTEC, Inc.	9,213	460,466
Evo Payments, Inc. "A"*	7,196	184,218
ExlService Holdings, Inc.*	5,047	730,654
Flywire Corp.* (a)	9,642	366,975
GreenBox POS*	2,667	11,201
Grid Dynamics Holdings, Inc.*	6,960	264,271
I3 Verticals, Inc. "A"*	3,295	75,093
IBEX Holdings Ltd.*	973	12,542
International Money Express, Inc.*	4,656	74,310
Limelight Networks, Inc.*	18,485	63,404
LiveRamp Holdings, Inc.*	10,196	488,898
Maximus, Inc.	9,390	748,101
MoneyGram International, Inc.*	13,368	105,474
Paya Holdings, Inc.*	12,650	80,201
Perficient, Inc.*	4,956	640,761
Priority Technology Holdings, Inc.*	1,214	8,595
Rackspace Technology, Inc.* (a)	8,261	111,276
Remitly Global, Inc.*	1,909	39,364
Repay Holdings Corp.*	13,294	242,881
StarTek, Inc.*	2,999	15,655
The Hackett Group, Inc.	3,809	78,199
TTEC Holdings, Inc.	2,795	253,087
Tucows, Inc. "A"* (a)	1,493	125,143
Unisys Corp.*	9,937	204,404
Verra Mobility Corp.*	21,939	338,519
		7,264,606
Semiconductors & Semiconductor Equipment 3.7%		
Alpha & Omega Semiconductor Ltd.*	3,278	198,516
Ambarella, Inc.*	5,389	1,093,374
Amkor Technology, Inc.	15,729	389,922
Atomera, Inc.* (a)	2,972	59,797
Axcelis Technologies, Inc.*	5,160	384,729
AXT, Inc.*	6,078	53,547
CEVA, Inc.*	3,529	152,594
CMC Materials, Inc.	4,344	832,701
Cohu, Inc.*	7,438	283,313
Diodes, Inc.*	6,702	735,947
FormFactor, Inc.* (a)	11,994	548,366

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

	Shares	Value ($)
Ichor Holdings Ltd.*	4,310	198,389
Impinj, Inc.*	2,869	254,480
Kopin Corp.* (a)	11,919	48,749
Kulicke & Soffa Industries, Inc.	9,429	570,832
Lattice Semiconductor Corp.*	20,719	1,596,606
MACOM Technology Solutions Holdings, Inc.*	7,507	587,798
MaxLinear, Inc.*	10,853	818,208
Meta Materials, Inc.* (a)	31,319	77,045
NeoPhotonics Corp.*	7,981	122,668
NVE Corp.	734	50,132
Onto Innovation, Inc.*	7,431	752,240
PDF Solutions, Inc.*	4,558	144,899
Photronics, Inc.*	9,072	171,007
Power Integrations, Inc.	9,209	855,424
Rambus, Inc.*	16,618	488,403
Semtech Corp.*	9,861	876,939
Silicon Laboratories, Inc.*	6,090	1,257,098
SiTime Corp.*	2,437	712,920
SkyWater Technology, Inc.*	1,213	19,675
SMART Global Holdings, Inc.*	2,685	190,608
SunPower Corp.* (a)	12,318	257,077
Synaptics, Inc.*	5,993	1,735,033
Ultra Clean Holdings, Inc.*	6,852	393,031
Veeco Instruments, Inc.*	7,500	213,525
		17,125,592
Software 5.5%		
8x8, Inc.*	17,226	288,708
A10 Networks, Inc.	9,328	154,658
ACI Worldwide, Inc.*	18,154	629,944
Agilysys, Inc.*	3,280	145,829
Alarm.com Holdings, Inc.*	7,231	613,261
Alkami Technology, Inc.*	4,412	88,505
Altair Engineering, Inc. "A"*	7,015	542,400
American Software, Inc. "A"	4,694	122,842
Appfolio, Inc. "A"*	2,905	351,679
Appian Corp.*	6,075	396,151
Arteris, Inc.*	800	16,888
Asana, Inc. "A"*	10,899	812,520
Avaya Holdings Corp.*	12,801	253,460
AvidXchange Holdings, Inc.*	3,914	58,945
Benefitfocus, Inc.*	3,761	40,092
Blackbaud, Inc.* (a)	7,310	577,344
Blackline, Inc.*	8,287	858,036
Bottomline Technologies DE, Inc.*	6,849	386,763
Box, Inc. "A"*	21,372	559,733
BTRS Holdings, Inc. "A"*	9,562	74,775
Cerence, Inc.* (a)	5,839	447,501
ChannelAdvisor Corp.*	4,451	109,851
Cleanspark, Inc.* (a)	5,029	47,876
CommVault Systems, Inc.*	6,989	481,682
Consensus Cloud Solutions, Inc.*	2,452	141,897
CoreCard Corp.* (a)	1,035	40,158
Couchbase, Inc.*	1,413	35,268
CS Disco, Inc.*	1,198	42,828
Digimarc Corp.* (a)	1,872	73,907
Digital Turbine, Inc.* (a)	13,888	847,029
Domo, Inc. "B"*	4,277	212,139
E2open Parent Holdings, Inc.* (a)	30,452	342,889
Ebix, Inc.	4,039	122,786
eGain Corp.*	2,965	29,591
Enfusion, Inc. "A"* (a)	3,338	69,898
EngageSmart, Inc.*	2,464	59,432
Envestnet, Inc.*	8,286	657,411
EverCommerce, Inc.* (a)	2,453	38,635
GTY Technology Holdings, Inc.*	4,948	33,152
Instructure Holdings, Inc.*	1,756	42,109
Intapp, Inc.*	1,485	37,363
InterDigital, Inc.	4,718	337,950
JFrog Ltd.*	8,220	244,134
Kaltura, Inc.*	2,543	8,570
LivePerson, Inc.*	10,051	359,022
Marathon Digital Holdings, Inc.* (a)	14,613	480,183
MeridianLink, Inc.*	1,846	39,837
MicroStrategy, Inc. "A"* (a)	1,295	705,114
Mimecast Ltd.*	9,298	739,842
Mitek Systems, Inc.*	6,455	114,576
Model N, Inc.*	5,459	163,934
Momentive Global, Inc.*	19,895	420,779
ON24, Inc.* (a)	4,000	69,400
OneSpan, Inc.*	5,357	90,694
PagerDuty, Inc.*	12,542	435,834
Ping Identity Holding Corp.*	9,257	211,800
Progress Software Corp.	6,791	327,802
PROS Holdings, Inc.*	6,210	214,183
Q2 Holdings, Inc.*	8,382	665,866
Qualys, Inc.*	5,246	719,856
Rapid7, Inc.*	8,581	1,009,898
Rekor Systems, Inc.*	4,802	31,453
Rimini Street, Inc.*	6,723	40,136
Riot Blockchain, Inc.* (a)	13,608	303,867
Sailpoint Technologies Holdings, Inc.*	13,999	676,712
Sapiens International Corp. NV	4,762	164,051
SecureWorks Corp. "A"*	1,587	25,344
ShotSpotter, Inc.*	1,228	36,251
Smith Micro Software, Inc.*	7,445	36,629
Sprout Social, Inc. "A"*	6,917	627,303
SPS Commerce, Inc.*	5,511	784,491
Stronghold Digital Mining, Inc. "A"*	1,158	14,880
Sumo Logic, Inc.*	13,460	182,518
Telos Corp.*	5,981	92,227

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

	Shares	Value ($)
Tenable Holdings, Inc.*	14,144	778,910
Upland Software, Inc.*	4,242	76,101
Varonis Systems, Inc.*	16,371	798,577
Verint Systems, Inc.*	9,932	521,529
Veritone, Inc.* (a)	4,312	96,934
Viant Technology, Inc. "A"*	1,751	16,993
VirnetX Holding Corp.*	9,845	25,597
Vonage Holdings Corp.*	36,948	768,149
Weave Communications, Inc.*	767	11,643
Workiva, Inc.*	6,545	854,057
Xperi Holding Corp.	16,242	307,136
Yext, Inc.*	17,486	173,461
Zuora, Inc. "A"*	17,084	319,129
		26,009,287
Technology Hardware, Storage & Peripherals 0.3%		
3D Systems Corp.*	18,996	409,174
Avid Technology, Inc.*	5,556	180,959
Corsair Gaming, Inc.* (a)	4,136	86,897
Diebold Nixdorf, Inc.* (a)	11,507	104,138
Eastman Kodak Co.*	6,917	32,372
Quantum Corp.*	8,574	47,328
Super Micro Computer, Inc.*	6,674	293,322
Turtle Beach Corp.*	2,183	48,594
		1,202,784

Materials 3.6%

	Shares	Value ($)
Chemicals 1.9%		
AdvanSix, Inc.	4,114	194,387
American Vanguard Corp.	4,486	73,526
Amyris, Inc.* (a)	27,143	146,844
Avient Corp.	13,847	774,740
Balchem Corp.	4,953	835,076
Cabot Corp.	8,592	482,870
Chase Corp.	1,180	117,481
Danimer Scientific, Inc.* (a)	13,879	118,249
Ecovyst, Inc.	7,905	80,947
Ferro Corp.*	12,509	273,071
FutureFuel Corp.	3,994	30,514
GCP Applied Technologies, Inc.*	7,644	242,009
H.B. Fuller Co.	7,971	645,651
Hawkins, Inc.	2,832	111,722
Ingevity Corp.*	6,018	431,491
Innospec, Inc.	3,705	334,710
Intrepid Potash, Inc.*	1,624	69,394
Koppers Holdings, Inc.* (a)	3,245	101,569
Kraton Corp.*	4,859	225,069
Kronos Worldwide, Inc.	3,404	51,094
Livent Corp.* (a)	24,744	603,259
Marrone Bio Innovations, Inc.*	16,520	11,898
Minerals Technologies, Inc.	5,016	366,920
Orion Engineered Carbons SA*	9,240	169,646
PureCycle Technologies, Inc.* (a)	8,218	78,646
Quaker Chemical Corp.	2,077	479,330
Rayonier Advanced Materials, Inc.*	9,680	55,273
Sensient Technologies Corp.	6,481	648,489
Stepan Co.	3,308	411,151
Tredegar Corp.	4,170	49,289
Trinseo PLC	6,011	315,337
Tronox Holdings PLC "A"	17,682	424,898
Valhi, Inc.	416	11,960
Zymergen, Inc.* (a)	12,370	82,755
		9,049,265
Construction Materials 0.2%		
Forterra, Inc.*	4,539	107,937
Summit Materials, Inc. "A"*	18,277	733,639
United States Lime & Minerals, Inc.	300	38,706
		880,282
Containers & Packaging 0.2%		
Greif, Inc. "A"	3,950	238,461
Greif, Inc. "B"	852	50,933
Myers Industries, Inc.	5,301	106,073
O-I Glass, Inc*	24,429	293,881
Pactiv Evergreen, Inc.	6,850	86,858
Ranpak Holdings Corp.*	5,809	218,302
UFP Technologies, Inc.*	1,043	73,281
		1,067,789
Metals & Mining 1.2%		
Allegheny Technologies, Inc.*	19,487	310,428
Arconic Corp.*	16,249	536,379
Carpenter Technology Corp.	7,295	212,941
Century Aluminum Co.*	7,661	126,866
Coeur Mining, Inc.*	39,742	200,300
Commercial Metals Co.	18,504	671,510
Compass Minerals International, Inc.	5,284	269,907
Constellium SE*	18,950	339,394
Ferroglobe Representation & Warranty Insurance Trust	12,466	0
Gatos Silver, Inc.*	6,925	71,882
Haynes International, Inc.	1,818	73,320
Hecla Mining Co.	82,079	428,452
Kaiser Aluminum Corp.	2,451	230,247
Materion Corp.	3,141	288,784
MP Materials Corp.* (a)	11,585	526,191
Novagold Resources, Inc.*	36,873	252,949
Olympic Steel, Inc.	1,578	37,083
Perpetua Resources Corp.*	4,104	19,494
PolyMet Mining Corp.*	4,457	11,143
Ryerson Holding Corp.	2,428	63,249
Schnitzer Steel Industries, Inc. "A"	3,942	204,669
SunCoke Energy, Inc.	12,238	80,648

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

	Shares	Value ($)
TimkenSteel Corp.*	7,129	117,628
Warrior Met Coal, Inc.	7,958	204,600
Worthington Industries, Inc.	4,976	271,988
		5,550,052
Paper & Forest Products 0.1%		
Clearwater Paper Corp.*	2,553	93,619
Glatfelter Corp.	6,822	117,338
Neenah, Inc. (a)	2,508	116,070
Schweitzer-Mauduit International, Inc.	4,916	146,989
Verso Corp. "A"	3,966	107,161
		581,177

Real Estate 7.2%

	Shares	Value ($)
Equity Real Estate Investment Trusts (REITs) 6.5%		
Acadia Realty Trust	13,274	289,771
Agree Realty Corp.	10,526	751,135
Alexander & Baldwin, Inc.*	11,034	276,843
Alexander's, Inc.	337	87,721
American Assets Trust, Inc.	7,593	284,965
American Finance Trust, Inc.	18,808	171,717
Apartment Investment and Management Co. "A"*	22,957	177,228
Apple Hospitality REIT, Inc.	32,765	529,155
Armada Hoffler Properties, Inc.	9,083	138,243
Ashford Hospitality Trust, Inc.*	2,493	23,933
Braemar Hotels & Resorts, Inc.*	8,901	45,395
Brandywine Realty Trust	26,184	351,389
Broadstone Net Lease, Inc. (a)	23,990	595,432
BRT Apartments Corp.	1,764	42,318
CareTrust REIT, Inc.	14,787	337,587
CatchMark Timber Trust, Inc. "A"	7,559	65,839
Centerspace	2,184	242,206
Chatham Lodging Trust*	7,225	99,127
City Office REIT, Inc.	6,317	124,571
Clipper Realty, Inc.	1,682	16,719
Community Healthcare Trust, Inc.	3,559	168,234
CorePoint Lodging, Inc.*	6,156	96,649
Corporate Office Properties Trust	17,352	485,335
CTO Realty Growth, Inc.	866	53,190
DiamondRock Hospitality Co.*	32,179	309,240
DigitalBridge Group, Inc.* (a)	74,745	622,626
Diversified Healthcare Trust	35,482	109,639
Easterly Government Properties, Inc.	13,246	303,598
EastGroup Properties, Inc.	6,164	1,404,467
Empire State Realty Trust, Inc. "A"	22,234	197,883
Equity Commonwealth*	17,977	465,604
Essential Properties Realty Trust, Inc.	18,571	535,402
Farmland Partners, Inc.	4,375	52,281
Four Corners Property Trust, Inc.	11,888	349,626
Franklin Street Properties Corp.	15,870	94,427
Getty Realty Corp.	6,287	201,750
Gladstone Commercial Corp.	5,823	150,059
Gladstone Land Corp.	4,809	162,352
Global Medical REIT, Inc.	9,506	168,732
Global Net Lease, Inc.	15,867	242,448
Healthcare Realty Trust, Inc.	22,437	709,907
Hersha Hospitality Trust*	4,795	43,970
Independence Realty Trust, Inc.	16,205	418,575
Indus Realty Trust, Inc.	910	73,765
Industrial Logistics Properties Trust	10,106	253,155
Innovative Industrial Properties, Inc. (a)	3,626	953,312
iStar, Inc. (a)	10,222	264,034
Kite Realty Group Trust	33,102	720,962
LTC Properties, Inc.	5,899	201,392
LXP Industrial Trust	42,478	663,506
Monmouth Real Estate Investment Corp.	14,735	309,582
National Health Investors, Inc.	6,673	383,497
National Storage Affiliates Trust	12,439	860,779
NETSTREIT Corp.	6,114	140,011
NexPoint Residential Trust, Inc.	3,429	287,453
Office Properties Income Trust	7,214	179,196
One Liberty Properties, Inc.	2,425	85,554
Outfront Media, Inc.	22,411	601,063
Paramount Group, Inc.	28,882	240,876
Pebblebrook Hotel Trust	19,887	444,872
Phillips Edison & Co., Inc. (a)	2,758	91,124
Physicians Realty Trust	33,542	631,596
Piedmont Office Realty Trust, Inc. "A"	19,147	351,922
Plymouth Industrial REIT, Inc.	4,846	155,072
Postal Realty Trust, Inc. "A"	1,871	37,046
PotlatchDeltic Corp.	10,141	610,691
Preferred Apartment Communities, Inc.	7,967	143,884
PS Business Parks, Inc.	3,073	565,954
Retail Opportunity Investments Corp.	18,075	354,270
Retail Value, Inc.	2,634	16,910
RLJ Lodging Trust	25,305	352,499
RPT Realty	12,665	169,458

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

	Shares	Value ($)
Ryman Hospitality Properties, Inc.*	8,231	756,923
Sabra Health Care REIT, Inc.	34,835	471,666
Safehold, Inc.	3,196	255,201
Saul Centers, Inc.	1,829	96,974
Seritage Growth Properties "A"* (a)	5,449	72,308
Service Properties Trust	25,508	224,215
SITE Centers Corp.	26,254	415,601
STAG Industrial, Inc.	26,913	1,290,748
Summit Hotel Properties, Inc.*	15,986	156,023
Sunstone Hotel Investors, Inc.*	33,271	390,269
Tanger Factory Outlet Centers, Inc. (a)	15,775	304,142
Terreno Realty Corp.	11,232	957,977
The GEO Group, Inc. (a)	18,122	140,446
The Macerich Co. (a)	32,940	569,203
UMH Properties, Inc.	6,508	177,864
Uniti Group, Inc.	29,936	419,403
Universal Health Realty Income Trust	1,912	113,707
Urban Edge Properties	17,575	333,925
Urstadt Biddle Properties, Inc. "A"	4,590	97,767
Veris Residential, Inc.*	13,409	246,457
Washington Real Estate Investment Trust	13,057	337,523
Whitestone REIT	6,984	70,748
Xenia Hotels & Resorts, Inc.*	17,418	315,440
		30,355,253
Real Estate Management & Development 0.7%		
Cushman & Wakefield PLC*	21,285	473,378
eXp World Holdings, Inc. (a)	9,680	326,119
Fathom Holdings, Inc.*	795	16,266
Forestar Group, Inc.*	2,712	58,986
FRP Holdings, Inc.*	975	56,355
Kennedy-Wilson Holdings, Inc.	18,095	432,109
Marcus & Millichap, Inc.*	3,644	187,520
Newmark Group, Inc. "A"	23,035	430,755
Rafael Holdings, Inc. "B"*	1,432	7,303
RE/MAX Holdings, Inc. "A"	2,916	88,909
Realogy Holdings Corp.*	17,796	299,151
Redfin Corp.* (a)	15,723	603,606
Tejon Ranch Co.*	3,265	62,296
The RMR Group, Inc. "A"	2,384	82,677
The St. Joe Co.	5,136	267,329
		3,392,759

Utilities 2.6%

	Shares	Value ($)
Electric Utilities 0.6%		
ALLETE, Inc.	8,078	535,975
MGE Energy, Inc.	5,518	453,855
Otter Tail Corp.	6,329	452,017
PNM Resources, Inc.	13,155	600,000
Portland General Electric Co.	13,773	728,867
Via Renewables, Inc.	2,030	23,203
		2,793,917
Gas Utilities 0.9%		
Brookfield Infrastructure Corp. "A" (a)	9,435	644,033
Chesapeake Utilities Corp.	2,605	379,835
New Jersey Resources Corp.	14,875	610,767
Northwest Natural Holding Co.	4,578	223,315
ONE Gas, Inc.	8,079	626,850
South Jersey Industries, Inc.	15,833	413,558
Southwest Gas Holdings, Inc.*	9,182	643,199
Spire, Inc.	7,763	506,303
		4,047,860
Independent Power & Renewable Electricity Producers 0.3%		
Clearway Energy, Inc. "A"	5,403	180,893
Clearway Energy, Inc. "C"	12,540	451,816
Ormat Technologies, Inc. (a)	6,984	553,831
Sunnova Energy International, Inc.*	13,312	371,671
		1,558,211
Multi-Utilities 0.4%		
Avista Corp.	10,692	454,303
Black Hills Corp.	9,678	682,976
NorthWestern Corp.	7,978	456,023
Unitil Corp.	2,299	105,731
		1,699,033
Water Utilities 0.4%		
American States Water Co.	5,683	587,849
Artesian Resources Corp. "A"	1,330	61,619
Cadiz, Inc.*	2,735	10,557
California Water Service Group	7,931	569,922
Global Water Resources, Inc.	2,087	35,688
Middlesex Water Co.	2,624	315,667
Pure Cycle Corp.*	3,151	46,005
SJW Group	4,177	305,756
York Water Co.	2,056	102,348
		2,035,411
Total Common Stocks (Cost $341,993,375)		**454,832,052**

Rights 0.0%

Health Care

	Shares	Value ($)
GTX, Inc.* (a) (b)	123	252
Tobira Therapeutics, Inc.* (b)	1,687	101
Total Rights (Cost $355)		**353**

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

	Shares	Value ($)
Warrants 0.0%		
Energy		
Nabors Industries Ltd., Expiration Date 6/11/2026* (Cost $0)	450	**1,679**

	Principal Amount ($)	Value ($)
Corporate Bonds 0.0%		
Financials		
GAMCO Investors, Inc., Step-Up Coupon, 4.0% to 06/15/2022, 5.0% to 06/15/2023 (Cost $1,000)	1,000	**990**
Government & Agency Obligations 0.3%		
U.S. Treasury Obligations		
U.S. Treasury Bills, 0.038% (c), 1/27/2022 (Cost $1,519,959)	1,520,000	**1,519,972**

	Shares	Value ($)
Securities Lending Collateral 8.7%		
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e) (Cost $40,582,540)	40,582,540	**40,582,540**
Cash Equivalents 2.5%		
DWS Central Cash Management Government Fund, 0.05% (d) (Cost $11,652,393)	11,652,393	**11,652,393**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $395,749,622)	108.4	**508,589,979**
Other Assets and Liabilities, Net	(8.4)	**(39,352,889)**
Net Assets	100.0	**469,237,090**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 8.7%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (d) (e)								
21,733,499	18,849,041 (f)	—	—	—	228,125	—	40,582,540	40,582,540
Cash Equivalents 2.5%								
DWS Central Cash Management Government Fund, 0.05% (d)								
1,628,225	116,473,539	106,449,371	—	—	3,231	—	11,652,393	11,652,393
23,361,724	**135,322,580**	**106,449,371**	**—**	**—**	**231,356**	**—**	**52,234,933**	**52,234,933**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $40,072,032, which is 8.5% of net assets.

(b) Investment was valued using significant unobservable inputs.

(c) Annualized yield at time of purchase; not a coupon rate.

(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. In addition, the Fund held non-cash U.S. Treasury securities collateral having a value of $1,864,058.

(f) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

At December 31, 2021, open futures contracts purchased were as follows:

Futures	Currency	Expiration Date	Contracts	Notional Amount ($)	Notional Value ($)	Unrealized Appreciation ($)
Russell E-Mini 2000 Index	USD	3/18/2022	121	13,415,025	13,568,940	**153,915**

Currency Abbreviation(s)

USD United States Dollar

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

For information on the Fund's policy and additional disclosures regarding futures contracts, please refer to the Derivatives section of Note B in the accompanying Notes to Financial Statements.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Common Stocks (a)	$ 454,832,052	$ —	$ —	$ 454,832,052
Rights	—	—	353	353
Warrants	1,679	—	—	1,679
Corporate Bonds	—	990	—	990
Government & Agency Obligations	—	1,519,972	—	1,519,972
Short-Term Investments (a)	52,234,933	—	—	52,234,933
Derivatives (b)				
Futures Contracts	153,915	—	—	153,915
Total	**$ 507,222,579**	**$1,520,962**	**$353**	**$ 508,743,894**

(a) See Investment Portfolio for additional detailed categorizations.

(b) Derivatives include unrealized appreciation (depreciation) on open futures contracts.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $343,514,689) — including $40,072,032 of securities loaned	$ 456,355,046
Investment in DWS Government & Agency Securities Portfolio (cost $40,582,540)*	40,582,540
Investment in DWS Central Cash Management Government Fund (cost $11,652,393)	11,652,393
Cash	18,425
Receivable for investments sold	477,163
Receivable for Fund shares sold	729,166
Dividends receivable	362,044
Interest receivable	13,722
Other assets	7,838
Total assets	510,198,337
Liabilities	
Payable upon return of securities loaned	40,582,540
Payable for investments purchased	45,358
Payable for Fund shares redeemed	63,221
Payable for variation margin on futures contracts	24,762
Accrued management fee	102,439
Accrued Trustees' fees	4,170
Other accrued expenses and payables	138,757
Total liabilities	40,961,247
Net assets, at value	**$ 469,237,090**
Net Assets Consist of	
Distributable earnings (loss)	173,639,702
Paid-in capital	295,597,388
Net assets, at value	**$ 469,237,090**
Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($425,942,723 ÷ 22,857,220 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 18.63**
Class B	
Net Asset Value, offering and redemption price per share ($43,294,367 ÷ 2,324,391 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 18.63**

* Represents collateral on securities loaned. In addition, the Fund held non-cash collateral having a value of $1,864,058.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $6,818)	$ 4,790,327
Interest	843
Income distributions — DWS Central Cash Management Government Fund	3,231
Securities lending income, net of borrower rebates	228,125
Total income	5,022,526
Expenses:	
Management fee	1,542,103
Administration fee	450,572
Services to shareholders	3,272
Record keeping fee (Class B)	17,675
Distribution service fee (Class B)	105,471
Custodian fee	28,320
Professional fees	67,482
Reports to shareholders	44,770
Trustees' fees and expenses	17,297
Other	21,812
Total expenses before expense reductions	2,298,774
Expense reductions	(368,033)
Total expenses after expense reductions	1,930,741
Net investment income	**3,091,785**
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	65,310,777
Futures	(59,141)
	65,251,636
Change in net unrealized appreciation (depreciation) on:	
Investments	(9,626,071)
Futures	88,310
	(9,537,761)
Net gain (loss)	**55,713,875**
Net increase (decrease) in net assets resulting from operations	**$58,805,660**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 3,091,785	$ 3,304,892
Net realized gain (loss)	65,251,636	24,331,163
Change in net unrealized appreciation (depreciation)	(9,537,761)	44,444,817
Net increase (decrease) in net assets resulting from operations	58,805,660	72,080,872
Distributions to shareholders:		
Class A	(27,860,902)	(36,874,155)
Class B	(2,609,130)	(3,407,812)
Total distributions	(30,470,032)	(40,281,967)
Fund share transactions:		
Class A		
Proceeds from shares sold	98,120,413	97,628,393
Reinvestment of distributions	27,860,902	36,874,155
Payments for shares redeemed	(112,716,499)	(129,334,937)
Net increase (decrease) in net assets from Class A share transactions	13,264,816	5,167,611
Class B		
Proceeds from shares sold	9,013,498	4,372,633
Reinvestment of distributions	2,609,130	3,407,812
Payments for shares redeemed	(8,406,842)	(6,383,154)
Net increase (decrease) in net assets from Class B share transactions	3,215,786	1,397,291
Increase (decrease) in net assets	44,816,230	38,363,807
Net assets at beginning of period	424,420,860	386,057,053
Net assets at end of period	**$ 469,237,090**	**$ 424,420,860**

Other Information		
Class A		
Shares outstanding at beginning of period	22,246,452	20,802,116
Shares sold	5,142,943	7,293,317
Shares issued to shareholders in reinvestment of distributions	1,466,363	3,475,415
Shares redeemed	(5,998,538)	(9,324,396)
Net increase (decrease) in Class A shares	610,768	1,444,336
Shares outstanding at end of period	**22,857,220**	**22,246,452**
Class B		
Shares outstanding at beginning of period	2,154,282	1,943,200
Shares sold	474,075	340,656
Shares issued to shareholders in reinvestment of distributions	137,106	320,584
Shares redeemed	(441,072)	(450,158)
Net increase (decrease) in Class B shares	170,109	211,082
Shares outstanding at end of period	**2,324,391**	**2,154,282**

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

Financial Highlights

DWS Small Cap Index VIP — Class A

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$17.39**	**$16.97**	**$14.97**	**$18.29**	**$16.78**
Income (loss) from investment operations:					
Net investment income[a]	.13	.14	.17	.19	.17
Net realized and unrealized gain (loss)	2.41	2.03	3.49	(2.06)	2.16
Total from investment operations	2.54	2.17	3.66	(1.87)	2.33
Less distributions from:					
Net investment income	(.16)	(.17)	(.18)	(.18)	(.17)
Net realized gains	(1.14)	(1.58)	(1.48)	(1.27)	(.65)
Total distributions	(1.30)	(1.75)	(1.66)	(1.45)	(.82)
Net asset value, end of period	**$18.63**	**$17.39**	**$16.97**	**$14.97**	**$18.29**
Total Return (%)[b]	14.50	19.43	25.22	(11.23)	14.33
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	426	387	353	308	360
Ratio of expenses before expense reductions (%)[c]	.47	.50	.53	.51	.51
Ratio of expenses after expense reductions (%)[c]	.39	.39	.39	.41	.44
Ratio of net investment income (%)	.69	.99	1.04	1.03	1.00
Portfolio turnover rate (%)	26	23	22	17	15

[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 Small Cap Index VIP — Class B

	Years Ended December 31, 2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$17.39**	**$16.97**	**$14.97**	**$18.28**	**$16.77**
Income (loss) from investment operations:					
Net investment income[a]	.08	.10	.12	.14	.13
Net realized and unrealized gain (loss)	2.41	2.04	3.49	(2.05)	2.15
Total from investment operations	2.49	2.14	3.61	(1.91)	2.28
Less distributions from:					
Net investment income	(.11)	(.14)	(.13)	(.13)	(.12)
Net realized gains	(1.14)	(1.58)	(1.48)	(1.27)	(.65)
Total distributions	(1.25)	(1.72)	(1.61)	(1.40)	(.77)
Net asset value, end of period	**$18.63**	**$17.39**	**$16.97**	**$14.97**	**$18.28**
Total Return (%)[b]	14.18	19.09	24.87	(11.42)	14.03
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	43	37	33	28	35
Ratio of expenses before expense reductions (%)[c]	.76	.79	.81	.80	.78
Ratio of expenses after expense reductions (%)[c]	.67	.66	.65	.67	.70
Ratio of net investment income (%)	.42	.71	.76	.77	.76
Portfolio turnover rate (%)	26	23	22	17	15

[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 Small Cap 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 two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities 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. 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 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 efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan. The value of the related collateral exceeded the value of the securities loaned at period end.

Remaining Contractual Maturity of the Agreements as of December 31, 2021

	Overnight and Continuous	<30 days	Between 30 & 90 days	>90 days	Total
Securities Lending Transactions					
Common Stocks	$ 40,582,496	$ —	$ 45,510	$ 1,818,548	$ 42,446,554
Rights	44	—	—	—	44
Total Borrowings	**$ 40,582,540**	**$ —**	**$ 45,510**	**$ 1,818,548**	**$ 42,446,598**
Gross amount of recognized liabilities and non-cash collateral for securities lending transactions:					$ 42,446,598

Federal Income Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the

United States of America. These differences primarily relate to income received from passive foreign investment companies, investments in futures contracts, certain securities sold at a loss, and the realized tax character on distributions from certain securities. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 9,340,236
Undistributed long-term capital gains	$ 58,223,175
Net unrealized appreciation (depreciation) on investments	$ 105,932,350

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $402,657,629. The net unrealized appreciation for all investments based on tax cost was $105,932,350. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $157,496,708 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $51,564,358.

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

	Years Ended December 31,	
	2021	**2020**
Distributions from ordinary income*	$ 6,391,312	$ 5,574,246
Distributions from long-term capital gains	$ 24,078,720	$ 34,707,721

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Real Estate Investment Trusts. The Fund at its fiscal year end recharacterizes distributions received from a Real Estate Investment Trust ("REIT") investment based on information provided by the REIT into the following categories: ordinary income, long-term and short-term capital gains, and return of capital. If information is not available timely from a REIT, the recharacterization will be estimated for financial reporting purposes and a recharacterization will be made to the accounting records in the following year when such information becomes available. Distributions received from REITs in excess of income are recorded as either a reduction of cost of investments or realized gains.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date 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. Derivative Instruments

A futures contract is an agreement between a buyer or seller and an established futures exchange or its clearinghouse in which the buyer or seller agrees to take or make a delivery of a specific amount of a financial instrument at a specified price on a specific date (settlement date). For the year ended December 31, 2021, the Fund invested in futures to keep cash on hand to meet shareholder redemptions or other needs while maintaining exposure to the stock market.

Upon entering into a futures contract, the Fund is required to deposit with a financial intermediary cash or securities ("initial margin") in an amount equal to a certain percentage of the face value indicated in the futures contract. Subsequent payments ("variation margin") are made or received by the Fund dependent upon the daily fluctuations in the value and are recorded for financial reporting purposes as unrealized gains or losses by the Fund. Gains or losses are realized when the contract expires or is closed. Since all futures contracts are exchange-traded, counterparty risk is minimized as the exchange's clearinghouse acts as the counterparty, and guarantees the futures against default.

Certain risks may arise upon entering into futures contracts, including the risk that an illiquid market will limit the Fund's ability to close out a futures contract prior to the settlement date and the risk that the futures contract is not well correlated with the security, index or currency to which it relates. Risk of loss may exceed amounts recognized in the Statement of Assets and Liabilities.

A summary of the open futures contracts as of December 31, 2021, is included in a table following the Fund's Investment Portfolio. For the year ended December 31, 2021, the investment in futures contracts purchased had a total notional value generally indicative of a range from approximately $3,752,000 to $14,855,000.

The following tables summarize the value of the Fund's derivative instruments held as of December 31, 2021 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

Assets Derivative	**Futures Contracts**
Equity Contracts (a)	$ 153,915

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

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

Additionally, the amount of unrealized and realized gains and losses on derivative instruments recognized in Fund earnings during the year ended December 31, 2021 and the related location in the accompanying Statement of Operations is summarized in the following tables by primary underlying risk exposure:

Realized Gain (Loss)	**Futures Contracts**
Equity Contracts (a)	$ (59,141)

The above derivative is located in the following Statement of Operations account:

(a) Net realized gain (loss) from futures

Change in Net Unrealized Appreciation (Depreciation)	**Futures Contracts**
Equity Contracts (a)	$ 88,310

The above derivative is located in the following Statement of Operations account:

(a) Change in net unrealized appreciation (depreciation) on futures

C. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $118,358,979 and $139,367,306, 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.

Prior to Octorber 1, 2021, under the Investment Management Agreement with the Advisor, the Fund paid the Advisor an annual fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly at the annual rate (exclusive of any applicable waivers/reimbursements) of 0.35%.

Effective October 1, 2021, under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly at the annual rate (exclusive of any applicable waivers/reimbursements) of 0.28%.

For the period from January 1, 2021 through September 30, 2022 (through April 30, 2022 for Class B shares), the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.39%
Class B	.67%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 329,940
Class B	38,093
	$ 368,033

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $450,572, of which $37,904 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 shares. For the year ended December 31, 2021, the Distribution Service Fee was as follows:

Distribution Service Fee	Total Aggregated	Unpaid at December 31, 2021
Class B	$ 105,471	$ 9,058

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 1,445	$ 246
Class B	283	48
	$ 1,728	**$ 294**

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $5,840, of which $367 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

E. Ownership of the Fund

At December 31, 2021, four participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 36%, 15%, 12% and 10%, respectively. Four participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 36%, 20%, 19% and 13%, respectively.

F. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

G. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Investments VIT Funds and Shareholders of DWS Small Cap Index VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Small Cap Index VIP (the "Fund") (one of the funds constituting Deutsche DWS Investments VIT Funds) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Investments VIT Funds) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the three years in the period then ended, in conformity with U.S. generally accepted accounting principles.

The financial highlights for the years ended December 31, 2017 and December 31, 2018, were audited by another independent registered public accounting firm whose report, dated February 14, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others or by other appropriate auditing procedures where replies from others were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses **(Unaudited)**

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 974.90	$ 973.90
Expenses Paid per $1,000*	$ 1.94	$ 3.33

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,023.24	$ 1,021.83
Expenses Paid per $1,000*	$ 1.99	$ 3.41

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
DWS Small Cap Index VIP	.39%	.67%

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 $1.03 per share from net long-term capital gains during its year ended December 31, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $64,099,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 47% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The 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 Small Cap Index VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") and sub-advisory agreement (the "Sub-Advisory Agreement" and together with the Agreement, the "Agreements") between DIMA and Northern Trust Investments, Inc. ("NTI") in September 2021.

In terms of the process that the Board followed prior to approving the Agreements, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreements, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's and NTI's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreements, including the scope of advisory services provided under the Agreements. The Board noted that, under the Agreements, DIMA and NTI provide portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. Throughout the course of the year, the Board also received information regarding DIMA's oversight of fund sub-advisors, including NTI. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 2nd quartile, 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 0.097% fee paid to DIMA under the Fund's administrative services agreement, were higher than the median (4th quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that, effective October 1, 2021, in connection with the 2021 contract renewal process, DIMA agreed to reduce the Fund's contractual management fee by 0.07%. With respect to the sub-advisory fee paid to NTI, the Board noted that the fee is paid by DIMA out of its fee and not directly by the Fund. The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds") and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA and NTI.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available. The Board did not consider the profitability of NTI with respect to the Fund. The Board noted that DIMA pays NTI's fee out of its management fee, and its understanding that the Fund's sub-advisory fee schedule was the product of an arm's length negotiation with DIMA.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. 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 NTI and Their Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and NTI and their affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel. The Board also considered the attention and resources dedicated by DIMA to the oversight of the investment sub-advisor's compliance program and compliance with the applicable fund policies and procedures.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreements is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreements.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

vit-scif-2 (R-025818-11 2/22)

December 31, 2021

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. Investing in foreign securities presents certain risks, such as currency fluctuations, political and economic changes, and market risks.The Fund may lend securities to approved institutions. Please read the prospectus for details.

War, terrorism, economic uncertainty, trade disputes, public health crises (including the ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

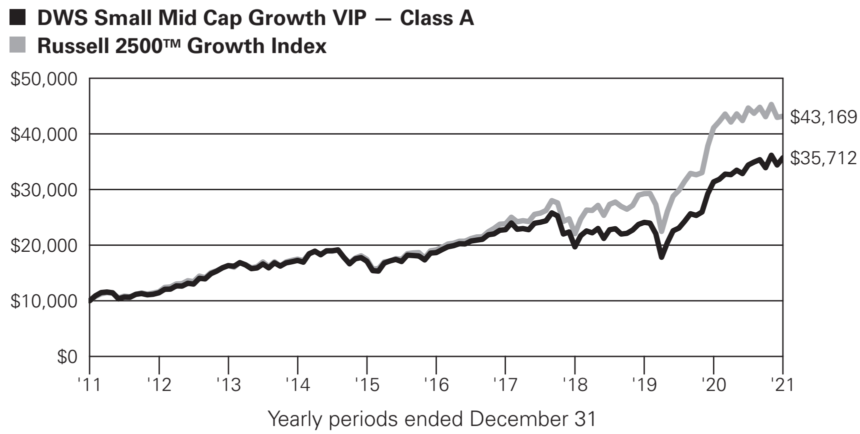
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns.

The gross expense ratio of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 is 0.82% for Class A shares and may differ from the expense ratio disclosed in the Financial Highlights table in this report.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

Growth of an Assumed $10,000 Investment



The Russell 2500™ Growth Index is an unmanaged index that measures the performance of the small to mid-cap growth segment of the U.S. equity universe. It includes those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values.

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

Comparative Results

DWS Small Mid Cap Growth VIP		1-Year	3-Year	5-Year	10-Year
Class A	Growth of $10,000	$11,384	$18,141	$19,143	$35,712
	Average annual total return	13.84%	21.96%	13.87%	13.57%
Russell 2500 Growth Index	Growth of $10,000	$10,504	$19,574	$22,542	$43,169
	Average annual total return	5.04%	25.09%	17.65%	15.75%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

During the 12-month period ended December 31, 2021, the portfolio provided a total return of 13.84% (Class A shares, unadjusted for contract charges) compared with the 5.04% return of its benchmark, the Russell 2500 Growth Index.

U.S. equities posted gains in 2021, although performance was largely led by larger-capitalization stocks. As vaccines allowed pandemic-related restrictions to be eased, economic growth and corporate earnings rebounded strongly. In addition, U.S. monetary and fiscal policy were highly supportive, with Congress passing massive spending packages and the U.S. Federal Reserve (Fed) maintaining short rates near zero while engaging in bond purchases to keep longer-term borrowing costs low. The fourth quarter saw the Fed adopt a more hawkish stance in response to persistently high inflation, leading to increased market volatility and weighing on performance for growth-oriented stocks.

The portfolio's outperformance relative to the benchmark was driven by strong stock selection across all sectors, most notably health care, industrials and materials. In terms of individual contributors, positive contributions were led by Builders FirstSource, Inc., the nation's largest supplier of structural building products, value-added components and services for new residential construction, repair and remodeling. The stock was supported as housing demand remained robust due to low interest rates. SiTime Corp. develops silicon-based timing solutions. The company saw its shares spike higher after reporting very strong second quarter revenue and earnings as semiconductor industry shortages have increased demand and pricing power for the company's products. Kforce, Inc. is a professional staffing company operating in North America. With over 80% of revenue derived from technology staffing needs, Kforce benefited from high demand driven by accelerated IT spending. On the downside, Five9, Inc. is a cloud contact center software provider that enables businesses to improve customer relationship management. The stock suffered as a proposed merger collapsed. Another laggard was iRhythm Technologies, Inc.* which provides a cardiac monitoring device and related analytical services to diagnose arrhythmias and other heart conditions. The company's shares declined after a large payer reduced the reimbursement rate for its devices to bring payments in line with older technologies, not appreciating the benefits of longer wear times, ease of use and the monitoring and analysis the company provides. We exited the position given reduced visibility. Emergent BioSolutions Inc.* is a global specialty biopharma company that manufactures biodefense drugs and treatments for infectious diseases. Early in the COVID-19 pandemic the company was contracted by multiple manufacturers for vaccine production. However, Emergent experienced manufacturing issues which resulted in lost sales and uncertainty of batch quality which caused its shares to decline, and we sold the position.

As the Fed begins to evaluate future rate hikes, we have begun to see companies with higher quality profiles lead the market. Small cap relative valuations appear attractive considering the solid growth expected in both revenue and earnings in 2022. We believe the small-cap universe remains a very compelling area for bottom-up investors to find long term growth companies across multiple sectors.

Peter Barsa, Senior Portfolio Manager Equity

Michael A. Sesser, CFA, Senior Portfolio Manager Equity

Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

Russell 2500 Growth Index is an unmanaged index that measures the performance of the small to mid-cap growth segment of the U.S. equity universe. It includes those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values.

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

* Not held as of December 31, 2021.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	99%	97%
Cash Equivalents	1%	2%
Exchange-Traded Funds	0%	1%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Exchange-Traded Funds, Cash Equivalents and Securities Lending)	**12/31/21**	**12/31/20**
Information Technology	28%	29%
Health Care	26%	29%
Industrials	16%	14%
Consumer Discretionary	14%	13%
Financials	5%	5%
Materials	4%	4%
Real Estate	3%	3%
Consumer Staples	2%	2%
Communication Services	1%	1%
Energy	1%	0%
	100%	100%

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 6.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com, and is available free of charge by contacting your financial intermediary, or if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

Investment Portfolio

as of December 31, 2021

	Shares	Value ($)
Common Stocks 98.5%		
Communication Services 1.0%		
Entertainment 0.5%		
Take-Two Interactive Software, Inc.*	2,174	**386,363**
Interactive Media & Services 0.5%		
Cargurus, Inc.*	10,463	**351,976**
Consumer Discretionary 13.8%		
Auto Components 0.9%		
Gentherm, Inc.*	7,364	**639,932**
Diversified Consumer Services 1.1%		
Bright Horizons Family Solutions, Inc.*	5,598	704,676
Terminix Global Holdings, Inc.*	3,418	154,596
		859,272
Hotels, Restaurants & Leisure 2.1%		
Hilton Grand Vacations, Inc.*	12,491	650,906
Jack in the Box, Inc.	7,892	690,392
Scientific Games Corp. "A"*	3,937	263,110
		1,604,408
Household Durables 4.3%		
Helen of Troy Ltd.*	2,963	724,365
iRobot Corp.* (a)	6,273	413,265
LGI Homes, Inc.*	3,489	538,981
TopBuild Corp.*	5,673	1,565,237
		3,241,848
Internet & Direct Marketing Retail 0.2%		
Just Eat Takeaway.com NV (ADR)* (a)	12,289	**132,230**
Leisure Products 1.7%		
YETI Holdings, Inc.*	15,522	**1,285,687**
Specialty Retail 3.5%		
Burlington Stores, Inc.*	2,883	840,423
Camping World Holdings, Inc. "A" (a)	24,907	1,006,243
Leslie's, Inc.*	2,799	66,224
National Vision Holdings, Inc.*	7,865	377,441
The Children's Place, Inc.*	4,788	379,641
		2,669,972
Consumer Staples 2.1%		
Food & Staples Retailing 1.2%		
Casey's General Stores, Inc.	4,371	**862,617**
Household Products 0.9%		
Spectrum Brands Holdings, Inc.	6,982	**710,209**
Energy 0.7%		
Oil, Gas & Consumable Fuels		
Crescent Energy, Inc. "A"* (a)	6,384	80,949
Denbury, Inc.*	2,500	191,475
Ovintiv, Inc.	6,811	229,531
		501,955
Financials 4.7%		
Banks 2.7%		
Pinnacle Financial Partners, Inc.	5,944	567,652
South State Corp.	4,704	376,837
SVB Financial Group*	742	503,254
Synovus Financial Corp.	11,493	550,170
		1,997,913
Capital Markets 1.7%		
FactSet Research Systems, Inc.	296	143,859
Lazard Ltd. "A"	13,717	598,473
Moelis & Co. "A"	9,136	571,091
		1,313,423
Consumer Finance 0.3%		
Green Dot Corp. "A"*	6,162	**223,311**
Health Care 25.2%		
Biotechnology 8.7%		
Amicus Therapeutics, Inc.*	7,094	81,936
Apellis Pharmaceuticals, Inc.*	4,251	200,987
Arena Pharmaceuticals, Inc.*	5,976	555,409
Beam Therapeutics, Inc.*	1,093	87,101
Biohaven Pharmaceutical Holding Co., Ltd.*	7,287	1,004,222
Blueprint Medicines Corp.*	4,684	501,703
Fate Therapeutics, Inc.*	3,846	225,030
Global Blood Therapeutics, Inc.*	4,524	132,418
Insmed, Inc.*	6,610	180,056
Intellia Therapeutics, Inc.*	1,898	224,420
Invitae Corp.*	5,038	76,930
Kiniksa Pharmaceuticals Ltd. "A"*	8,769	103,211
Ligand Pharmaceuticals, Inc.*	2,672	412,717
Mirati Therapeutics, Inc.*	2,178	319,491
Natera, Inc.*	4,935	460,880
Neurocrine Biosciences, Inc.*	7,085	603,429
TG Therapeutics, Inc.*	4,142	78,698
Travere Therapeutics, Inc.*	23,478	728,757
Turning Point Therapeutics, Inc.*	2,679	127,788
Ultragenyx Pharmaceutical, Inc.*	3,057	257,063
Veracyte, Inc.*	5,225	215,270
		6,577,516
Health Care Equipment & Supplies 3.7%		
Axonics, Inc.*	4,613	258,328
BioLife Solutions, Inc.*	8,451	314,969
Globus Medical, Inc. "A"*	4,024	290,533

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

	Shares	Value ($)
Haemonetics Corp.*	1,353	71,763
Masimo Corp.*	2,727	798,411
Nevro Corp.*	1,428	115,768
Outset Medical, Inc.*	4,898	225,749
STAAR Surgical Co.*	975	89,017
Tandem Diabetes Care, Inc.*	4,219	635,044
		2,799,582
Health Care Providers & Services 9.1%		
AMN Healthcare Services, Inc.*	13,141	1,607,539
Clover Health Investments Corp.*	15,307	56,942
HealthEquity, Inc.*	1,929	85,339
ModivCare, Inc.*	9,473	1,404,751
Molina Healthcare, Inc.*	4,119	1,310,172
Option Care Health, Inc.*	26,064	741,260
RadNet, Inc.*	55,477	1,670,412
		6,876,415
Health Care Technology 1.0%		
Vocera Communications, Inc.*	11,330	**734,637**
Life Sciences Tools & Services 0.6%		
Avantor, Inc.*	7,242	305,178
NeoGenomics, Inc.*	3,100	105,772
		410,950
Pharmaceuticals 2.1%		
Aclaris Therapeutics, Inc.*	12,953	188,337
ANI Pharmaceuticals, Inc.*	8,521	392,648
Arvinas, Inc.*	2,000	164,280
Avadel Pharmaceuticals PLC (ADR)* (a)	18,916	152,841
Pacira BioSciences, Inc.*	11,807	710,427
		1,608,533
Industrials 15.7%		
Aerospace & Defense 1.0%		
HEICO Corp.	5,006	**721,965**
Building Products 5.2%		
Advanced Drainage Systems, Inc.	3,825	520,697
Allegion PLC	7,499	993,168
Builders FirstSource, Inc.*	18,923	1,621,890
Masonite International Corp.*	6,705	790,855
		3,926,610
Commercial Services & Supplies 2.4%		
MSA Safety, Inc.	2,392	361,096
Tetra Tech, Inc.	4,419	750,346
The Brink's Co.	11,036	723,631
		1,835,073
Construction & Engineering 0.6%		
MasTec, Inc.*	4,674	**431,317**
Electrical Equipment 1.0%		
Generac Holdings, Inc.*	1,478	520,138
Plug Power, Inc.*	4,018	113,428
Thermon Group Holdings, Inc.*	9,149	154,892
		788,458
Machinery 0.8%		
IDEX Corp.	2,502	**591,273**
Professional Services 2.0%		
Kforce, Inc.	20,225	**1,521,324**
Trading Companies & Distributors 2.7%		
H&E Equipment Services, Inc.	16,406	726,294
Rush Enterprises, Inc. "A"	16,590	923,067
Titan Machinery, Inc.*	11,743	395,622
		2,044,983
Information Technology 28.1%		
Communications Equipment 1.8%		
Calix, Inc.*	8,844	707,255
Lumentum Holdings, Inc.*	6,080	643,081
		1,350,336
Electronic Equipment, Instruments & Components 2.8%		
Advanced Energy Industries, Inc.	12,629	1,149,997
Cognex Corp.	7,873	612,204
IPG Photonics Corp.*	1,883	324,140
		2,086,341
IT Services 2.8%		
Broadridge Financial Solutions, Inc.	5,482	1,002,219
Maximus, Inc.	8,556	681,657
WEX, Inc.*	2,932	411,623
		2,095,499
Semiconductors & Semiconductor Equipment 6.8%		
CMC Materials, Inc.	2,531	485,168
Entegris, Inc.	6,342	878,874
Monolithic Power Systems, Inc.	2,547	1,256,512
Semtech Corp.*	7,632	678,714
SiTime Corp.*	4,087	1,195,611
Ultra Clean Holdings, Inc.*	10,873	623,675
		5,118,554
Software 13.9%		
Aspen Technology, Inc.*	9,339	1,421,396
DocuSign, Inc.*	1,013	154,290
Dynatrace, Inc.*	7,679	463,428
Envestnet, Inc.*	9,852	781,658
Five9, Inc.*	12,047	1,654,294
LivePerson, Inc.*	7,263	259,434
Rapid7, Inc.*	6,849	806,059
Tenable Holdings, Inc.*	9,841	541,944
Tyler Technologies, Inc.*	4,051	2,179,235

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

	Shares	Value ($)
Varonis Systems, Inc.*	35,677	1,740,324
Workiva, Inc.*	3,858	503,430
		10,505,492

Materials 4.1%

	Shares	Value ($)
Construction Materials 1.3%		
Eagle Materials, Inc.	5,901	**982,280**
Containers & Packaging 0.7%		
Berry Global Group, Inc.*	6,828	**503,770**
Metals & Mining 2.1%		
Cleveland-Cliffs, Inc.* (a)	53,487	1,164,412
First Quantum Minerals Ltd.	17,207	411,760
		1,576,172

Real Estate 3.1%

	Shares	Value ($)
Equity Real Estate Investment Trusts (REITs) 2.7%		
Americold Realty Trust	10,299	337,704
EastGroup Properties, Inc.	2,708	617,018
Essential Properties Realty Trust, Inc.	21,678	624,977
Four Corners Property Trust, Inc.	13,954	410,387
		1,990,086
Real Estate Management & Development 0.4%		
Newmark Group, Inc. "A"	17,392	**325,230**
Total Common Stocks (Cost $37,722,906)		**74,183,512**

Exchange-Traded Funds 0.4%

	Shares	Value ($)
SPDR S&P Biotech ETF (Cost $247,239)	2,719	**304,419**

Securities Lending Collateral 3.8%

	Shares	Value ($)
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $2,874,385)	2,874,385	**2,874,385**

Cash Equivalents 1.3%

	Shares	Value ($)
DWS Central Cash Management Government Fund, 0.05% (b) (Cost $950,292)	950,292	**950,292**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $41,794,822)	104.0	**78,312,608**
Other Assets and Liabilities, Net	(4.0)	**(3,001,985)**
Net Assets	100.0	**75,310,623**

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 3.8%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
5,457,727	—	2,583,342 (d)	—	—	10,294	—	2,874,385	2,874,385
Cash Equivalents 1.3%								
DWS Central Cash Management Government Fund, 0.05% (b)								
1,738,142	10,071,908	10,859,758	—	—	408	—	950,292	950,292
7,195,869	**10,071,908**	**13,443,100**	**—**	**—**	**10,702**	**—**	**3,824,677**	**3,824,677**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $2,798,221, which is 3.7% of net assets.

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

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

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

ADR: American Depositary Receipt

S&P: Standard & Poor's

SPDR: Standard & Poor's Depositary Receipt

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

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Common Stocks (a)	$ 74,183,512	$ —	$ —	$ 74,183,512
Exchange-Traded Funds	304,419	—	—	304,419
Short-Term Investments (a)	3,824,677	—	—	3,824,677
Total	**$ 78,312,608**	**$ —**	**$ —**	**$ 78,312,608**

(a) See Investment Portfolio for additional detailed categorizations.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $37,970,145) — including $2,798,221 of securities loaned	$ 74,487,931
Investment in DWS Government & Agency Securities Portfolio (cost $2,874,385)*	2,874,385
Investment in DWS Central Cash Management Government Fund (cost $950,292)	950,292
Foreign currency, at value (cost $224)	232
Dividends receivable	26,990
Interest receivable	470
Other assets	1,283
Total assets	78,341,583

Liabilities	
Payable upon return of securities loaned	2,874,385
Payable for Fund shares redeemed	47,824
Accrued management fee	34,317
Accrued Trustees' fees	1,143
Other accrued expenses and payables	73,291
Total liabilities	3,030,960
Net assets, at value	**$ 75,310,623**

Net Assets Consist of	
Distributable earnings (loss)	43,448,345
Paid-in capital	31,862,278
Net assets, at value	**$ 75,310,623**

Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($75,310,623 ÷ 3,990,886 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 18.87**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends (net of foreign taxes withheld of $21)	$ 336,500
Income distributions — DWS Central Cash Management Government Fund	408
Securities lending income, net of borrower rebates	10,294
Total income	347,202
Expenses:	
Management fee	416,498
Administration fee	73,455
Services to shareholders	664
Custodian fee	3,403
Audit fee	38,433
Legal fees	13,830
Tax fees	8,316
Reports to shareholders	30,882
Trustees' fees and expenses	4,688
Other	3,870
Total expenses	594,039
Net investment income (loss)	**(246,837)**

Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from investments	7,087,492
Change in net unrealized appreciation (depreciation) on investments	2,870,407
Net gain (loss)	**9,957,899**
Net increase (decrease) in net assets resulting from operations	**$9,711,062**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income (loss)	$ (246,837)	$ (28,369)
Net realized gain (loss)	7,087,492	3,757,624
Change in net unrealized appreciation (depreciation)	2,870,407	12,517,964
Net increase (decrease) in net assets resulting from operations	9,711,062	16,247,219
Distributions to shareholders:		
Class A	(3,804,844)	(959,731)
Fund share transactions:		
Class A		
Proceeds from shares sold	2,680,334	3,372,258
Reinvestment of distributions	3,804,844	959,731
Payments for shares redeemed	(10,049,938)	(10,851,170)
Net increase (decrease) in net assets from Class A share transactions	(3,564,760)	(6,519,181)
Increase (decrease) in net assets	2,341,458	8,768,307
Net assets at beginning of period	72,969,165	64,200,858
Net assets at end of period	**$ 75,310,623**	**$ 72,969,165**

Other Information		
Class A		
Shares outstanding at beginning of period	4,186,167	4,698,629
Shares sold	144,423	244,143
Shares issued to shareholders in reinvestment of distributions	211,028	90,115
Shares redeemed	(550,732)	(846,720)
Net increase (decrease) in Class A shares	(195,281)	(512,462)
Shares outstanding at end of period	**3,990,886**	**4,186,167**

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

Financial Highlights

DWS Small Mid Cap Growth VIP — Class A

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$17.43**	**$13.66**	**$12.68**	**$21.94**	**$18.96**
Income (loss) from investment operations:					
Net investment income (loss)[a]	(.06)	(.01)	.01	(.01)	(.02)
Net realized and unrealized gain (loss)	2.43	4.00	2.73	(1.92)	4.08
Total from investment operations	2.37	3.99	2.74	(1.93)	4.06
Less distributions from:					
Net investment income	(.01)	(.01)	—	—	(.02)
Net realized gains	(.92)	(.21)	(1.76)	(7.33)	(1.06)
Total distributions	(.93)	(.22)	(1.76)	(7.33)	(1.08)
Net asset value, end of period	**$18.87**	**$17.43**	**$13.66**	**$12.68**	**$21.94**
Total Return (%)	13.84	30.18[b]	22.41[b]	(13.59)[b]	22.12
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	75	73	64	64	77
Ratio of expenses before expense reductions (%)[c]	.78	.82	.82	.81	.75
Ratio of expenses after expense reductions (%)[c]	.78	.81	.81	.80	.75
Ratio of net investment income (loss) (%)	(.33)	(.05)	.11	(.06)	(.08)
Portfolio turnover rate (%)	16	12	10	32	32

[a] Based on average shares outstanding during the period.

[b] Total return would have been lower had certain expenses not been reduced.

[c] Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

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

Notes to Financial Statements

A. Organization and Significant Accounting Policies

DWS Small Mid Cap Growth VIP (the "Fund") is a diversified series of Deutsche DWS Variable Series II (the "Trust"), which is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company organized as a Massachusetts business trust.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities and exchange-traded funds ("ETFs") are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Equity securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities or ETFs are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Securities Lending. Deutsche Bank AG, as lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of either cash or liquid, unencumbered assets having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. As of period end, any securities on loan were collateralized by cash. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as Common Stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements was overnight and continuous.

Federal Income Taxes. The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable income to its shareholders.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to certain securities sold at a loss, the realized tax character on distributions from certain securities and investments in limited partnerships. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed long-term capital gains	$ 7,035,573
Net unrealized appreciation (depreciation) on investments	$ 36,405,590

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $41,907,018. The net unrealized appreciation for all investments based on tax cost was $36,405,590. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $39,421,532 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $3,015,942.

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

	Years Ended December 31, 2021	2020
Distributions from ordinary income*	$ 753,322	$ 27,637
Distributions from long-term capital gains	$ 3,051,522	$ 932,094

* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

Expenses. Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

Contingencies. In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

Other. Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date net of foreign withholding taxes. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments.

B. Purchases and Sales of Securities

During the year ended December 31, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $11,792,618 and $18,374,956, respectively.

C. Related Parties

Management Agreement. Under the Investment Management Agreement with DWS Investment Management Americas, Inc. ("DIMA" or the "Advisor"), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ("DWS Group"), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First $250 million of the Fund's average daily net assets	.550%
Next $750 million	.525%
Over $1 billion	.500%

Accordingly, for the year ended December 31, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.55% of the Fund's average daily net assets.

For the period from January 1, 2021 through April 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of Class A at 0.81%.

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $73,455, of which $6,052 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC aggregated $484, of which $81 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $604, of which $82 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

Securities Lending Agent Fees. Deutsche Bank AG serves as securities lending agent for the Fund. For the year ended December 31, 2021, the Fund incurred securities lending agent fees to Deutsche Bank AG in the amount of $775.

D. Ownership of the Fund

At December 31, 2021, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 92%.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS Small Mid Cap Growth VIP:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of DWS Small Mid Cap Growth VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II) (the "Trust"), including the investment portfolio, as of December 31, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses (Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**
Beginning Account Value 7/1/21	$1,000.00
Ending Account Value 12/31/21	$1,038.00
Expenses Paid per $1,000*	$ 4.01

Hypothetical 5% Fund Return	**Class A**
Beginning Account Value 7/1/21	$1,000.00
Ending Account Value 12/31/21	$1,021.27
Expenses Paid per $1,000*	$ 3.97

* Expenses are equal to the Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratio	**Class A**
Deutsche DWS Variable Series II — DWS Small Mid Cap Growth VIP	.78%

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at dws.com/calculators.

Tax Information

(Unaudited)

The Fund paid distributions of $0.74 per share from net long-term capital gains during its year ended December 31, 2021.

Pursuant to Section 852 of the Internal Revenue Code, the Fund designates $7,780,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 42% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Small Mid Cap Growth VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 3rd quartile, 4th quartile and 4th quartile, respectively, of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has underperformed its benchmark in the one-, three- and five-year periods ended December 31, 2020. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to improve performance. The Board observed that the Fund had experienced improved relative performance during the first seven months of 2021. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (1st quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees). The Board noted that the expense limitation agreed to by DIMA was expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ("DWS Funds"), noting that DIMA indicated that it does not provide services to any other comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund and any fees received by an affiliate of DIMA for transfer agency services provided to the Fund. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered “interested persons” of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund’s Statement of Additional Information (“SAI”) includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

VS2SMCG-2 (R-025835-11 2/22)

December 31, 2021

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. 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 ongoing pandemic spread of the novel coronavirus) and related geopolitical events could lead to increased market volatility, disruption to U.S. and world economies and markets and may have significant adverse effects on the Fund and its investments.

Performance Summary

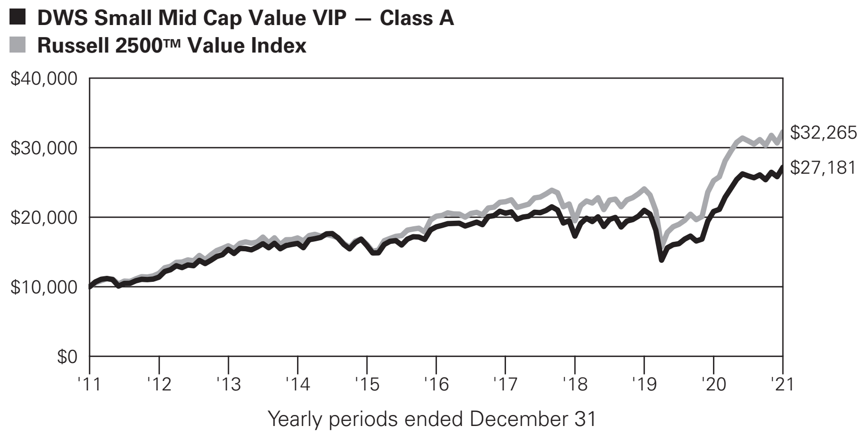
December 31, 2021 (Unaudited)

Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of the prospectus dated May 1, 2021 are 0.88% 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	$13,050	$15,731	$14,602	$27,181
	Average annual total return	30.50%	16.30%	7.87%	10.52%
Russell 2500 Value Index	Growth of $10,000	$12,778	$16,559	$16,016	$32,265
	Average annual total return	27.78%	18.31%	9.88%	12.43%

DWS Small Mid Cap Value VIP		1-Year	3-Year	5-Year	10-Year
Class B	Growth of $10,000	$13,004	$15,560	$14,339	$26,211
	Average annual total return	30.04%	15.88%	7.47%	10.12%
Russell 2500 Value Index	Growth of $10,000	$12,778	$16,559	$16,016	$32,265
	Average annual total return	27.78%	18.31%	9.88%	12.43%

The growth of $10,000 is cumulative.

Management Summary

December 31, 2021 (Unaudited)

Class A shares of DWS Small Mid Cap Value VIP returned 30.50% in 2021 (unadjusted for contract charges) and outperformed the 27.78% gain of the Russell 2500™ Value Index.

Small- and mid-cap stocks performed very well in 2021. As business conditions gradually returned to normal, economic growth and corporate earnings both rebounded from their depressed levels of the previous year. Monetary policy also remained supportive for most of the period, with the U.S. Federal Reserve keeping interest rates near zero and continuing its stimulative quantitative easing program. Multiple rounds of fiscal stimulus provided further fuel for investor sentiment. This backdrop was highly favorable for small-cap value stocks, which finished well ahead of the 5.04% return for the Russell 2500™ Growth Index.

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. This process worked well in 2021, helping the Fund outpace the strong return of its benchmark.

Consistent with our bottom-up approach, security selection was the primary driver of the Fund's positive relative performance. Our portfolio holdings outpaced the corresponding benchmark components in all of the eleven major sectors except health care. Our stock picks outperformed by the widest margin in financials, led by a position in Donnelley Financial Solutions, Inc. The company consistently reported revenues and earnings that were ahead of expectations, helping the stock deliver a triple-digit gain and finish well ahead of its sector peers. Positions in Credit Acceptance Corp. and Brown & Brown, Inc. were also among our top performers in financials.

Real estate, where a number of our holdings registered gains north of 50%, was another area of strength for the Fund. Stag Industrial, Inc. and LXP Industrial Trust were the leading individual contributors in the sector. Our stock picking process was effective in information technology, as well. Verint Systems, Inc., a provider of cloud-based software used to facilitate customer engagement, produced strong gains due to a series of better-than-expected earnings reports. Communication services and consumer staples were also areas where our stock picks outperformed. Outside of these sectors, two energy stocks — Targa Resources Corp. and Devon Energy Corp. — were among the leading contributors in 2021.

On the other hand, our stock picks in health care underperformed considerably. Holdings in a number of smaller biotechnology and pharmaceutical companies lagged amid the broader weakness in these market segments. Invacare Corp.,* Bluebird Bio, Inc.,* and Athenex, Inc., were the largest individual detractors in health care. Elsewhere, Coeur Mining, Inc.* and Virgin Galactic Holdings, Inc. each cost the Fund some relative performance.

We continue to exercise discipline through the full range of market conditions. We seek to optimize the portfolio by emphasizing stocks with the most favorable combination of individual factors, rather than relying on a single factor — such as value or growth — to drive performance. In our view, this approach has enabled us to build a portfolio designed to navigate uncertain conditions and rapid shifts in market leadership. We believe the merits of this strategy may become increasingly evident as investors struggle to assess a shifting investment environment in the year ahead.

Pankaj Bhatnagar, PhD, Head of Investment Strategy Equity

Arno V. Puskar, Senior Portfolio Manager Equity

Portfolio Managers

The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

Terms to Know

The **Russell 2500 Value Index** is an unmanaged index measuring the small- to mid-cap U.S. equity value market.

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.

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

*   Not held at December 31, 2021.

Portfolio Summary

(Unaudited)

Asset Allocation (As a % of Investment Portfolio excluding Securities Lending Collateral)	**12/31/21**	**12/31/20**
Common Stocks	99%	100%
Cash Equivalents	1%	0%
	100%	100%

Sector Diversification (As a % of Investment Portfolio excluding Securities Lending Collateral and Cash Equivalents)	**12/31/21**	**12/31/20**
Financials	22%	20%
Industrials	16%	17%
Real Estate	13%	12%
Consumer Discretionary	10%	14%
Information Technology	10%	9%
Health Care	8%	7%
Materials	6%	7%
Energy	5%	4%
Utilities	4%	4%
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, 2021

	Shares	Value ($)
Common Stocks 99.5%		
Communication Services 3.3%		
Entertainment 1.1%		
Lions Gate Entertainment Corp. "A"* (a)	51,187	851,752
Madison Square Garden Sports Corp.*	1,859	322,964
		1,174,716
Media 1.8%		
Interpublic Group of Companies, Inc.	49,706	**1,861,490**
Wireless Telecommunication Services 0.4%		
Telephone & Data Systems, Inc.	20,294	**408,924**
Consumer Discretionary 10.0%		
Auto Components 1.7%		
Goodyear Tire & Rubber Co.*	47,305	1,008,543
Lear Corp.	4,259	779,184
		1,787,727
Automobiles 0.5%		
Winnebago Industries, Inc.	6,930	**519,195**
Diversified Consumer Services 0.3%		
Vivint Smart Home, Inc.*	35,073	**343,014**
Hotels, Restaurants & Leisure 1.7%		
Boyd Gaming Corp.*	10,704	701,861
International Game Technology PLC (a)	19,871	574,471
Red Rock Resorts, Inc. "A" (a)	8,611	473,691
		1,750,023
Household Durables 2.2%		
Beazer Homes U.S.A., Inc.*	25,089	582,567
PulteGroup, Inc.	29,095	1,663,070
		2,245,637
Internet & Direct Marketing Retail 0.7%		
Overstock.com, Inc.* (a)	6,410	378,254
Qurate Retail, Inc. "A"	49,172	373,707
		751,961
Leisure Products 0.2%		
Nautilus, Inc.* (a)	36,693	**224,928**
Specialty Retail 0.2%		
CarLotz, Inc.* (a)	74,380	**168,843**
Textiles, Apparel & Luxury Goods 2.5%		
Columbia Sportswear Co.	16,694	1,626,663
Under Armour, Inc. "A"* (a)	42,221	894,663
		2,521,326

	Shares	Value ($)
Consumer Staples 3.2%		
Food & Staples Retailing 0.3%		
Performance Food Group Co.*	6,533	**299,800**
Food Products 1.0%		
Darling Ingredients, Inc.*	10,608	735,028
Hostess Brands, Inc.*	16,616	339,299
		1,074,327
Household Products 1.9%		
Central Garden & Pet Co.*	18,763	987,497
Spectrum Brands Holdings, Inc.	9,298	945,792
		1,933,289
Energy 4.9%		
Energy Equipment & Services 0.4%		
NexTier Oilfield Solutions, Inc.*	107,725	**382,424**
Oil, Gas & Consumable Fuels 4.5%		
Civitas Resources, Inc.	9,392	459,926
Devon Energy Corp.	38,714	1,705,352
Targa Resources Corp.	47,289	2,470,377
		4,635,655
Financials 21.9%		
Banks 8.9%		
BankUnited, Inc.	40,550	1,715,670
Commerce Bancshares, Inc.	5,630	387,006
ConnectOne Bancorp., Inc.	10,908	356,801
Eagle Bancorp., Inc.	28,111	1,639,996
Hancock Whitney Corp.	26,974	1,349,239
Hilltop Holdings, Inc.	25,784	906,050
Primis Financial Corp.	24,193	363,863
Simmons First National Corp. "A"	30,569	904,231
UMB Financial Corp.	14,217	1,508,566
		9,131,422
Capital Markets 1.8%		
Donnelley Financial Solutions, Inc.*	38,439	**1,812,014**
Consumer Finance 1.8%		
Credit Acceptance Corp.* (a)	1,907	1,311,406
Navient Corp.	24,093	511,253
		1,822,659
Diversified Financial Services 1.4%		
Cannae Holdings, Inc.*	12,504	439,516
Voya Financial, Inc.	15,823	1,049,223
		1,488,739
Insurance 6.2%		
AMERISAFE, Inc.	9,923	534,155
Assurant, Inc.	10,579	1,648,843

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

	Shares	Value ($)
Athene Holding Ltd. "A"*	4,895	407,900
Brown & Brown, Inc.	38,887	2,732,979
Everest Re Group Ltd.	3,840	1,051,853
		6,375,730
Mortgage Real Estate Investment Trusts (REITs) 1.4%		
Blackstone Mortgage Trust, Inc. "A"	8,173	250,257
Ellington Financial, Inc.	38,132	651,676
New Residential Investment Corp.	23,054	246,909
Redwood Trust, Inc.	25,738	339,484
		1,488,326
Thrifts & Mortgage Finance 0.4%		
Walker & Dunlop, Inc.	3,055	**460,938**
Health Care 8.4%		
Biotechnology 3.0%		
Agios Pharmaceuticals, Inc.*	7,142	234,757
Athenex, Inc.* (a)	176,355	239,843
Gritstone bio, Inc.* (a)	23,967	308,216
Jounce Therapeutics, Inc.* (a)	30,583	255,368
Myriad Genetics, Inc.*	28,066	774,621
Sage Therapeutics, Inc.*	24,674	1,049,632
Sana Biotechnology, Inc.* (a)	16,472	254,986
		3,117,423
Health Care Equipment & Supplies 1.0%		
ICU Medical, Inc.*	3,236	768,032
Pulmonx Corp.* (a)	7,082	227,120
		995,152
Health Care Providers & Services 1.3%		
Apria, Inc.* (a)	13,199	430,288
Molina Healthcare, Inc.*	2,804	891,896
		1,322,184
Life Sciences Tools & Services 2.4%		
Bruker Corp.	7,938	666,078
PerkinElmer, Inc.	6,269	1,260,445
Syneos Health, Inc.*	5,302	544,409
		2,470,932
Pharmaceuticals 0.7%		
Atea Pharmaceuticals, Inc.*	31,135	278,347
NGM Biopharmaceuticals, Inc.* (a)	19,262	341,130
Reata Pharmaceuticals, Inc. "A"* (a)	2,689	70,909
		690,386
Industrials 15.4%		
Aerospace & Defense 0.3%		
Virgin Galactic Holdings Inc.* (a)	24,193	**323,702**

	Shares	Value ($)
Air Freight & Logistics 1.5%		
Atlas Air Worldwide Holdings, Inc.*	10,887	1,024,684
GXO Logistics, Inc.*	5,515	500,928
		1,525,612
Airlines 0.2%		
Mesa Air Group, Inc.*	46,861	**262,422**
Building Products 2.6%		
Carlisle Companies, Inc.	9,343	2,318,185
Resideo Technologies, Inc.*	13,293	346,017
		2,664,202
Electrical Equipment 2.2%		
Encore Wire Corp.	5,483	784,617
EnerSys	19,390	1,532,974
		2,317,591
Machinery 4.1%		
Hillenbrand, Inc.	51,641	2,684,816
Pentair PLC	6,786	495,581
The Manitowoc Co., Inc.* (a)	56,618	1,052,529
		4,232,926
Professional Services 2.0%		
Jacobs Engineering Group, Inc.	13,094	1,823,078
Science Applications International Corp.	2,940	245,754
		2,068,832
Road & Rail 1.1%		
Knight-Swift Transportation Holdings, Inc.	10,885	663,332
XPO Logistics, Inc.*	5,515	427,026
		1,090,358
Trading Companies & Distributors 1.4%		
MRC Global, Inc.*	67,641	465,370
NOW, Inc.*	109,928	938,785
		1,404,155
Information Technology 9.7%		
Communications Equipment 1.2%		
Ciena Corp.*	7,945	611,527
CommScope Holding Co., Inc.*	54,708	603,976
		1,215,503
Electronic Equipment, Instruments & Components 3.5%		
Arlo Technologies, Inc.*	102,322	1,073,358
Avnet, Inc.	33,437	1,378,608
SYNNEX Corp.	3,829	437,884
Teledyne Technologies, Inc.*	1,727	754,509
		3,644,359

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

	Shares	Value ($)
IT Services 1.4%		
Alliance Data Systems Corp.	12,940	861,416
Concentrix Corp.	3,437	613,917
		1,475,333
Semiconductors & Semiconductor Equipment 1.5%		
Cirrus Logic, Inc.*	11,969	1,101,387
Ichor Holdings Ltd.*	8,469	389,828
		1,491,215
Software 2.1%		
Cognyte Software Ltd.*	24,739	387,660
NCR Corp.*	8,756	351,991
Verint Systems, Inc.*	26,229	1,377,285
		2,116,936
Materials 6.2%		
Chemicals 3.8%		
Albemarle Corp.	1,209	282,628
Avient Corp.	10,901	609,911
Chemours Co.	7,973	267,574
H.B. Fuller Co.	6,184	500,904
Kraton Corp.*	40,274	1,865,492
The Mosaic Co.	9,339	366,929
		3,893,438
Containers & Packaging 0.7%		
Graphic Packaging Holding Co.	33,885	**660,757**
Metals & Mining 1.7%		
Steel Dynamics, Inc.	28,779	**1,786,313**
Real Estate 12.9%		
Equity Real Estate Investment Trusts (REITs) 12.4%		
Agree Realty Corp.	12,759	910,482
Duke Realty Corp.	16,051	1,053,588
Gaming and Leisure Properties, Inc.	32,113	1,562,619
Highwoods Properties, Inc.	27,146	1,210,440
Iron Mountain, Inc. (a)	8,026	420,001
LXP Industrial Trust (a)	155,012	2,421,287
NexPoint Residential Trust, Inc.	10,300	863,449
Safehold, Inc.	3,694	294,966
SITE Centers Corp.	38,592	610,911
STAG Industrial, Inc.	52,479	2,516,893
Urban Edge Properties	46,898	891,062
		12,755,698
Real Estate Management & Development 0.5%		
Kennedy-Wilson Holdings, Inc.	11,176	266,883
Opendoor Technologies Inc.* (a)	18,958	276,976
		543,859
Utilities 3.6%		
Electric Utilities 2.7%		
IDACORP, Inc.	15,434	1,748,827
Otter Tail Corp.	5,034	359,528
PG&E Corp.*	32,722	397,245
Pinnacle West Capital Corp.	3,738	263,865
		2,769,465
Gas Utilities 0.9%		
UGI Corp.	20,014	**918,843**
Total Common Stocks (Cost $73,345,464)		**102,420,703**

Securities Lending Collateral 6.3%

	Shares	Value ($)
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c) (Cost $6,453,827)	6,453,827	**6,453,827**

Cash Equivalents 0.6%

	Shares	Value ($)
DWS Central Cash Management Government Fund, 0.05% (b) (Cost $663,321)	663,321	**663,321**

	% of Net Assets	Value ($)
Total Investment Portfolio (Cost $80,462,612)	106.4	**109,537,851**
Other Assets and Liabilities, Net	(6.4)	**(6,567,332)**
Net Assets	100.0	**102,970,519**

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

A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2021 are as follows:

Value ($) at 12/31/2020	Purchases Cost ($)	Sales Proceeds ($)	Net Realized Gain/ (Loss) ($)	Net Change in Unrealized Appreciation (Depreciation) ($)	Income ($)	Capital Gain Distributions ($)	Number of Shares at 12/31/2021	Value ($) at 12/31/2021
Securities Lending Collateral 6.3%								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 0.01% (b) (c)								
2,438,401	4,015,426 (d)	—	—	—	9,929	—	6,453,827	6,453,827
Cash Equivalents 0.6%								
DWS Central Cash Management Government Fund, 0.05% (b)								
259,282	14,377,338	13,973,299	—	—	287	—	663,321	663,321
2,697,683	**18,392,764**	**13,973,299**	**—**	**—**	**10,216**	**—**	**7,117,148**	**7,117,148**

* Non-income producing security.

(a) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2021 amounted to $6,304,202, which is 6.1% of net assets.

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

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

(d) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2021.

Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2021 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks (a)	$ 102,420,703	$ —	$ —	$ 102,420,703
Short-Term Investments (a)	7,117,148	—	—	7,117,148
Total	**$ 109,537,851**	**$ —**	**$ —**	**$ 109,537,851**

(a) See Investment Portfolio for additional detailed categorizations.

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

Statement of Assets and Liabilities

as of December 31, 2021

Assets	
Investments in non-affiliated securities, at value (cost $73,345,464) — including $6,304,202 of securities loaned	$ 102,420,703
Investment in DWS Government & Agency Securities Portfolio (cost $6,453,827)*	6,453,827
Investment in DWS Central Cash Management Government Fund (cost $663,321)	663,321
Receivable for Fund shares sold	13,428
Dividends receivable	100,557
Interest receivable	503
Other assets	2,030
Total assets	109,654,369

Liabilities	
Payable upon return of securities loaned	6,453,827
Payable for Fund shares redeemed	91,046
Accrued management fee	55,482
Accrued Trustees' fees	1,187
Other accrued expenses and payables	82,308
Total liabilities	6,683,850
Net assets, at value	**$ 102,970,519**

Net Assets Consist of	
Distributable earnings (loss)	30,854,297
Paid-in capital	72,116,222
Net assets, at value	**$ 102,970,519**

Net Asset Value	
Class A	
Net Asset Value, offering and redemption price per share ($81,748,634 ÷ 5,282,801 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 15.47**
Class B	
Net Asset Value, offering and redemption price per share ($21,221,885 ÷ 1,372,395 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	**$ 15.46**

* Represents collateral on securities loaned.

Statement of Operations

for the year ended December 31, 2021

Investment Income	
Income:	
Dividends	$ 1,563,385
Income distributions — DWS Central Cash Management Government Fund	287
Securities lending income, net of borrower rebates	9,929
Total income	1,573,601
Expenses:	
Management fee	642,036
Administration fee	95,812
Services to shareholders	2,276
Record keeping fee (Class B)	23,667
Distribution service fee (Class B)	49,662
Custodian fee	2,682
Professional fees	52,914
Reports to shareholders	32,646
Trustees' fees and expenses	4,282
Other	4,329
Total expenses before expense reductions	910,306
Expense reductions	(15,809)
Total expenses after expense reductions	894,497
Net investment income	**679,104**

Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	9,986,122
Payments by affiliates (see Note F)	8,938
	9,995,060
Change in net unrealized appreciation (depreciation) on investments	14,423,979
Net gain (loss)	**24,419,039**
Net increase (decrease) in net assets resulting from operations	**$25,098,143**

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

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31, 2021	2020
Operations:		
Net investment income	$ 679,104	$ 1,151,659
Net realized gain (loss)	9,995,060	(8,657,454)
Change in net unrealized appreciation (depreciation)	14,423,979	5,071,194
Net increase (decrease) in net assets resulting from operations	25,098,143	(2,434,601)
Distributions to shareholders:		
Class A	(986,559)	(6,015,690)
Class B	(171,519)	(1,399,898)
Total distributions	(1,158,078)	(7,415,588)
Fund share transactions:		
Class A		
Proceeds from shares sold	10,833,180	5,262,531
Reinvestment of distributions	986,559	6,015,690
Payments for shares redeemed	(19,477,705)	(11,188,291)
Net increase (decrease) in net assets from Class A share transactions	(7,657,966)	89,930
Class B		
Proceeds from shares sold	3,370,266	3,507,387
Reinvestment of distributions	171,519	1,399,898
Payments for shares redeemed	(4,132,281)	(3,035,924)
Net increase (decrease) in net assets from Class B share transactions	(590,496)	1,871,361
Increase (decrease) in net assets	15,691,603	(7,888,898)
Net assets at beginning of period	87,278,916	95,167,814
Net assets at end of period	**$102,970,519**	**$ 87,278,916**
Other Information		
Class A		
Shares outstanding at beginning of period	5,853,631	5,666,170
Shares sold	758,092	527,815
Shares issued to shareholders in reinvestment of distributions	67,758	725,656
Shares redeemed	(1,396,680)	(1,066,010)
Net increase (decrease) in Class A shares	(570,830)	187,461
Shares outstanding at end of period	**5,282,801**	**5,853,631**
Class B		
Shares outstanding at beginning of period	1,418,467	1,216,620
Shares sold	230,525	321,995
Shares issued to shareholders in reinvestment of distributions	11,756	168,662
Shares redeemed	(288,353)	(288,810)
Net increase (decrease) in Class B shares	(46,072)	201,847
Shares outstanding at end of period	**1,372,395**	**1,418,467**

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,				
	2021	**2020**	**2019**	**2018**	**2017**
Selected Per Share Data					
Net asset value, beginning of period	**$12.00**	**$13.83**	**$12.21**	**$17.88**	**$16.65**
Income (loss) from investment operations:					
Net investment income[a]	.11	.16	.18	.10	.17
Net realized and unrealized gain (loss)	3.54	(.90)	2.53[b]	(2.47)	1.55
Total from investment operations	3.65	(.74)	2.71	(2.37)	1.72
Less distributions from:					
Net investment income	(.18)	(.16)	(.10)	(.24)	(.12)
Net realized gains	—	(.93)	(.99)	(3.06)	(.37)
Total distributions	(.18)	(1.09)	(1.09)	(3.30)	(.49)
Net asset value, end of period	**$15.47**	**$12.00**	**$13.83**	**$12.21**	**$17.88**
Total Return (%)[c]	30.50	(1.80)	22.76[b]	(16.01)	10.52
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	82	70	78	70	96
Ratio of expenses before expense reductions (%)[d]	.85	.88	.88	.87	.83
Ratio of expenses after expense reductions (%)[d]	.83	.82	.83	.81	.83
Ratio of net investment income (%)	.76	1.57	1.35	.65	.98
Portfolio turnover rate (%)	32	43	55	64	35

[a] Based on average shares outstanding during the period.

[b] 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.

[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.

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

DWS Small Mid Cap Value VIP — Class B

	Years Ended December 31,				
	2021	2020	2019	2018	2017
Selected Per Share Data					
Net asset value, beginning of period	**$11.99**	**$13.82**	**$12.20**	**$17.86**	**$16.63**
Income (loss) from investment operations:					
Net investment income[a]	.06	.13	.13	.05	.11
Net realized and unrealized gain (loss)	3.53	(.90)	2.53[b]	(2.48)	1.55
Total from investment operations	3.59	(.77)	2.66	(2.43)	1.66
Less distributions from:					
Net investment income	(.12)	(.13)	(.05)	(.17)	(.06)
Net realized gains	—	(.93)	(.99)	(3.06)	(.37)
Total distributions	(.12)	(1.06)	(1.04)	(3.23)	(.43)
Net asset value, end of period	**$15.46**	**$11.99**	**$13.82**	**$12.20**	**$17.86**
Total Return (%)[c]	30.04	(2.18)	22.32[b]	(16.32)	10.13
Ratios to Average Net Assets and Supplemental Data					
Net assets, end of period ($ millions)	21	17	17	15	19
Ratio of expenses before expense reductions (%)[d]	1.22	1.25	1.25	1.24	1.19
Ratio of expenses after expense reductions (%)[d]	1.20	1.19	1.19	1.16	1.19
Ratio of net investment income (%)	.40	1.21	.99	.30	.65
Portfolio turnover rate (%)	32	43	55	64	35

[a] Based on average shares outstanding during the period.

[b] 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.

[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.

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). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

Security Valuation. Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Equity securities are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

Securities Lending. 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 efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. During the year ended December 31, 2021, the Fund invested the cash collateral into a joint trading account in DWS Government & Agency Securities Portfolio, an affiliated money market fund managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/administration fee (0.04% annualized effective rate as of December 31, 2021) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2021, the Fund had securities on loan, which were classified as Common Stocks in the Investment Portfolio. The value of the related collateral exceeded the value of the securities loaned at period end. As of period end, the remaining contractual maturity of the collateral agreements was 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.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2021 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

Distribution of Income and Gains. Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to certain securities sold at a loss and the realized tax character on distributions from certain securities. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2021, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	$ 626,692
Undistributed long-term capital gains	$ 1,305,637
Net unrealized appreciation (depreciation) on investments	$ 28,881,993

At December 31, 2021, the aggregate cost of investments for federal income tax purposes was $80,655,858. The net unrealized appreciation for all investments based on tax cost was $28,881,993. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of $32,734,740 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of $3,852,747.

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

	Years Ended December 31,	
	2021	**2020**
Distributions from ordinary income*	$ 1,158,078	$ 1,300,909
Distributions from long-term capital gains	$ —	$ 6,114,679

* 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, 2021, purchases and sales of investment securities (excluding short-term investments) aggregated $31,310,460 and $39,982,826, 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, 2021, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.65% of the Fund's average daily net assets.

For the period from January 1, 2021 through April 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.82%
Class B	1.19%

For the period from May 1, 2021 through September 30, 2021, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.84%
Class B	1.21%

Effective October 1, 2021 through September 30, 2022, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses of the Fund to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	.83%
Class B	1.20%

For the year ended December 31, 2021, fees waived and/or expenses reimbursed for each class are as follows:

Class A	$ 12,423
Class B	3,386
	$ 15,809

Administration Fee. Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee ("Administration Fee") of 0.097% of the Fund's average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2021, the Administration Fee was $95,812, of which $8,295 is unpaid.

Service Provider Fees. DWS Service Company ("DSC"), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ("DST"), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the

shareholder servicing fee it receives from the Fund. For the year ended December 31, 2021, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at December 31, 2021
Class A	$ 862	$ 143
Class B	657	109
	$ 1,519	**$ 252**

Distribution Service Agreement. Under the Fund's Class B 12b-1 plan, DWS Distributors, Inc. ("DDI") received a fee ("Distribution Service Fee") of up to 0.25% of average daily net assets of Class B shares. For the year ended December 31, 2021, the Distribution Service Fee aggregated $49,662, of which $4,360 is unpaid.

Other Service Fees. Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2021, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated $1,044, of which $412 is unpaid.

Trustees' Fees and Expenses. The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

Affiliated Cash Management Vehicles. The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee. To the extent that DWS ESG Liquidity Fund pays an investment management fee to the Advisor, the Advisor will waive an amount of the investment management fee payable to the Advisor by the Fund equal to the amount of the investment management fee payable on the Fund's assets invested in DWS ESG Liquidity Fund.

D. Ownership of the Fund

At December 31, 2021, one participating insurance company was owner of record of 10% or more of the total outstanding Class A shares of the Fund, owning 68%. Five participating insurance companies were owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 26%, 17%, 15%, 15% and 11%, respectively.

E. Line of Credit

The Fund and other affiliated funds (the "Participants") share in a $350 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 33 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2021.

F. Payments by Affiliates

During the year ended December 31, 2021, the Advisor agreed to reimburse the Fund $8,938 for commission costs incurred in connection with purchases and sales of portfolio assets. The amount reimbursed was less than 0.01% of the Fund's average net assets, thus having no impact on the Fund's total return.

G. Other — COVID-19 Pandemic

A novel coronavirus known as COVID-19, declared a pandemic by the World Health Organization, has caused significant uncertainty, market volatility, decreased economic and other activity, increased government activity, including economic stimulus measures, and supply chain interruptions. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve, including the risk of future increased rates of infection due to low vaccination rates and/or the lack of effectiveness of current vaccines against new variants. The pandemic has affected and may continue to affect certain countries, industries, economic sectors, companies and investment products more than others, may exacerbate existing economic, political, or social tensions and may increase the probability of an economic recession or depression. The Fund and its investments may be adversely affected by the effects of the COVID-19 pandemic, and the pandemic may result in the Fund and its service providers experiencing operational difficulties in coordinating a remote workforce and implementing their business continuity plans, among others. Management will continue to monitor the impact COVID-19 has on the Fund and reflect the consequences as appropriate in the Fund's accounting and financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series 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, 2021, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and others. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst & Young LLP

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts
February 15, 2022

Information About Your Fund's Expenses **(Unaudited)**

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In the most recent six-month period, the Fund limited these expenses; had it not done so, expenses would have been higher. The example in the table is based on an investment of $1,000 invested at the beginning of the six-month period and held for the entire period (July 1, 2021 to December 31, 2021).

The tables illustrate your Fund's expenses in two ways:

— **Actual Fund Return**. This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a $1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per $1,000" line under the share class you hold.

— **Hypothetical 5% Fund Return**. This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per $1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

Expenses and Value of a $1,000 Investment for the six months ended December 31, 2021

Actual Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,048.10	$ 1,046.00
Expenses Paid per $1,000*	$ 4.28	$ 6.19

Hypothetical 5% Fund Return	**Class A**	**Class B**
Beginning Account Value 7/1/21	$ 1,000.00	$ 1,000.00
Ending Account Value 12/31/21	$ 1,021.02	$ 1,019.16
Expenses Paid per $1,000*	$ 4.23	$ 6.11

* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 365.

Annualized Expense Ratios	**Class A**	**Class B**
Deutsche DWS Variable Series II — DWS Small Mid Cap Value VIP	.83%	1.20%

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 $1,436,000 as capital gain dividends for its year ended December 31, 2021.

For corporate shareholders, 100% of the ordinary dividends (i.e., income dividends plus short-term capital gains) paid during the Fund's fiscal year ended December 31, 2021, qualified for the dividends received deduction.

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

Proxy Voting

The Trust's policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — dws.com/en-us/resources/proxy-voting — or on the SEC's Web site — sec.gov. To obtain a written copy of the Trust's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the "Board" or "Trustees") approved the renewal of DWS Small Mid Cap Value VIP's (the "Fund") investment management agreement (the "Agreement") with DWS Investment Management Americas, Inc. ("DIMA") in September 2021.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

— During the entire process, all of the Fund's Trustees were independent of DIMA and its affiliates (the "Independent Trustees").

— The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund's performance, fees and expenses, and profitability from a fee consultant retained by the Fund's Independent Trustees (the "Fee Consultant").

— The Board also received extensive information throughout the year regarding performance of the Fund.

— The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund's contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

— In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund's Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA ("DWS Group"). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group's shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund's performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Fund's Board considers these and many other factors, including the quality and integrity of DIMA's personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

Nature, Quality and Extent of Services. The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA's approach to addressing such risks. The Board reviewed the Fund's performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ("Morningstar"), an independent fund data service. The Board also noted that it has put into place a process of identifying "Funds in Review" (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA's plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2020, the Fund's performance (Class A shares) was in the 4th quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has underperformed its benchmark in the one-, three- and five-year periods ended December 31, 2020. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to improve performance. The Board noted certain changes in the Fund's portfolio management team that were made effective February 14, 2019. The Board observed that the Fund had experienced improved relative performance during the first seven months of 2021. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

Fees and Expenses. The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund's administrative services agreement, were lower than the median (2nd quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2020). The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (2nd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2020, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were expected to help the Fund's total (net) operating expenses remain competitive. The Board considered the Fund's management fee rate as compared to fees charged by DIMA to a comparable DWS U.S. registered fund ("DWS Funds") and considered differences between the Fund and the comparable DWS Fund. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ("DWS Europe Funds") managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

Profitability. The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

Economies of Scale. The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund's investment management fee schedule includes fee breakpoints. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

Other Benefits to DIMA and Its Affiliates. The Board also considered the character and amount of other incidental or "fall-out" benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

Compliance. The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.

Board Members and Officers

The following table presents certain information regarding the Board Members and Officers of the Trust/Corporation. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. Except as otherwise noted below, the term of office for each Board Member is until the election and qualification of a successor, or until such Board Member sooner dies, resigns, is removed or as otherwise provided in the governing documents of the Trust/Corporation. Because the Fund does not hold an annual meeting of shareholders, each Board Member will hold office for an indeterminate period.

The Board Members may also serve in similar capacities with other funds in the fund complex. The number of funds in the DWS fund complex shown in the table below includes all registered open- and closed-end funds (including all of their portfolios) advised by the Advisor and any registered funds that have an investment advisor that is an affiliated person of the Advisor.

Independent Board Members/Independent Advisory Board Members

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Keith R. Fox, CFA (1954) Chairperson since 2017, and Board Member since 1996	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); former Chairman, National Association of Small Business Investment Companies; Former Directorships: ICI Mutual Insurance Company; BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds)	70	—
John W. Ballantine (1946) Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996–1998); Executive Vice President and Head of International Banking (1995–1996); Not-for-Profit Directorships: Palm Beach Civic Assn.; Window to the World Communications (public media); Life Director of Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago; Former Directorships: Director and Chairman of the Board, Healthways, Inc.[2] (population wellbeing and wellness services) (2003–2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc.; Oak Brook Bank; Portland General Electric[2] (utility company (2003–2021); and Prisma Energy International; Former Not-for-Profit Directorships: Public Radio International	70	—
Dawn-Marie Driscoll (1946) Board Member since 1987	Advisory Board and former Executive Fellow, Hoffman Center for Business Ethics, Bentley University; formerly: Partner, Palmer & Dodge (law firm) (1988–1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978–1988); Directorships: Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization); Former Directorships: ICI Mutual Insurance Company (2007–2015); Sun Capital Advisers Trust (mutual funds) (2007–2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)	70	—
Richard J. Herring (1946) Board Member since 1990	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (1994–2020); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995–2000) and Director, The Lauder Institute of International Management Studies (2000–2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Former Directorships: Co-Chair of the Shadow Financial Regulatory Committee (2003–2015), Executive Director of The Financial Economists Roundtable (2008–2015), Director of The Thai Capital Fund (2007–2013), Director of The Aberdeen Singapore Fund (2007–2018), and Nonexecutive Director of Barclays Bank DE (2010–2018)	70	Director, Aberdeen Japan Fund (since 2007)
William McClayton (1944) Board Member since 2004	Private equity investor (since October 2009); formerly: Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001–2009); Senior Partner, Arthur Andersen LLP (accounting) (1966–2001); Former Directorships: Board of Managers, YMCA of Metropolitan Chicago; Trustee, Ravinia Festival	70	—

Name, Year of Birth, Position with the Trust/ Corporation and Length of Time Served[1]	Business Experience and Directorships During the Past Five Years	Number of Funds in DWS Fund Complex Overseen	Other Directorships Held by Board Member
Chad D. Perry (1972) Board Member or Advisory Board Member since 2021[3]	Executive Vice President, General Counsel and Secretary, Tanger Factory Outlet Centers, Inc.[2] (since 2011); formerly Executive Vice President and Deputy General Counsel, LPL Financial Holdings Inc.[2] (2006–2011); Senior Corporate Counsel, EMC Corporation (2005–2006); Associate, Ropes & Gray LLP (1997–2005)	21[4]	—
Rebecca W. Rimel (1951) Board Member since 1995	Senior Advisor, The Pew Charitable Trusts (charitable organization) (since July 2020); Director, The Bridgespan Group (nonprofit organization) (since October 2020); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983–2004); Board Member, Investor Education (charitable organization) (2004–2005); Former Directorships: Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001–2007); Director, Viasys Health Care[2] (January 2007–June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994–2012); President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994–2020); Director, BioTelemetry Inc.[2] (acquired by Royal Philips in 2021) (healthcare) (2009–2021)	70	Director, Becton Dickinson and Company[2] (medical technology company) (2012–present)
Catherine Schrand (1964) Board Member or Advisory Board Member since 2021[3]	Celia Z. Moh Professor of Accounting (since 2016) and Professor of Accounting (since 1994), The Wharton School, University of Pennsylvania; formerly Vice Dean, Wharton Doctoral Programs (2016–2019)	21[4]	—
William N. Searcy, Jr. (1946) Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation[2] (telecommunications) (November 1989–September 2003); Former Directorships: Trustee, Sun Capital Advisers Trust (mutual funds) (1998–2012)	70	—

Officers[5]

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Hepsen Uzcan[7] (1974) President and Chief Executive Officer, 2017–present	Fund Administration (Head since 2017), DWS; Secretary, DWS USA Corporation (2018–present); Assistant Secretary, DWS Distributors, Inc. (2018–present); Director and Vice President, DWS Service Company (2018–present); Assistant Secretary, DWS Investment Management Americas, Inc. (2018–present); Director and President, DB Investment Managers, Inc. (2018–present); President and Chief Executive Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2017–present); formerly: Vice President for the Deutsche funds (2016–2017); Assistant Secretary for the DWS funds (2013–2019); Assistant Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2013–2020); Directorships: Interested Director, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since June 25, 2020); ICI Mutual Insurance Company (since October 16, 2020); and Episcopalian Charities of New York (2018–present)
John Millette[8] (1962) Vice President and Secretary, 1999–present	Legal (Associate General Counsel), DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015–present); Director and Vice President, DWS Trust Company (2016–present); Secretary, DBX ETF Trust (2020–present); Vice President, DBX Advisors LLC (2021–present); Secretary, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. 2011–present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015–2017); and Assistant Secretary, DBX ETF Trust (2019–2020)
Ciara Crawford[9] (1984) Assistant Secretary, (2019–present)	Fund Administration (Specialist), DWS (2015–present); formerly, Legal Assistant at Accelerated Tax Solutions.
Diane Kenneally[8] (1966) Chief Financial Officer and Treasurer, 2018–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Treasurer, Chief Financial Officer and Controller, DBX ETF Trust (2019–present); Treasurer and Chief Financial Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present); formerly: Assistant Treasurer for the DWS funds (2007–2018)
Paul Antosca[8] (1957) Assistant Treasurer, 2007–present	Fund Administration Tax (Head), DWS; and Assistant Treasurer, DBX ETF Trust (2019–present)
Sheila Cadogan[8] (1966) Assistant Treasurer, 2017–present	Fund Administration Treasurer's Office (Co-Head since 2018), DWS; Director and Vice President, DWS Trust Company (2018–present); Assistant Treasurer, DBX ETF Trust (2019–present); Assistant Treasurer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2018–present)
Scott D. Hogan[8] (1970) Chief Compliance Officer, 2016–present	Anti-Financial Crime & Compliance US (Senior Team Lead), DWS; Chief Compliance Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2016–present)

Name, Year of Birth, Position with the Trust/Corporation and Length of Time Served[6]	Business Experience and Directorships During the Past Five Years
Caroline Pearson[8] (1962) Chief Legal Officer, 2010–present	Legal (Senior Team Lead), DWS; Assistant Secretary, DBX ETF Trust (2020–present); Chief Legal Officer, DBX Advisors LLC (2020–present); Chief Legal Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (2012–present); formerly: Secretary, Deutsche AM Distributors, Inc. (2002–2017); Secretary, Deutsche AM Service Company (2010–2017); and Chief Legal Officer, DBX Strategic Advisors LLC (2020–2021)
Christian Rijs[7] (1980) Anti-Money Laundering Compliance Officer, since October 6, 2021	DWS Americas Head of Anti-Financial Crime and AML Officer, DWS; AML Officer, DWS Trust Company (since October 6, 2021); AML Officer, DBX ETF Trust (since October 6, 2021); AML Officer, The European Equity Fund, Inc., The New Germany Fund, Inc. and The Central and Eastern Europe Fund, Inc. (since October 6, 2021); formerly: DWS UK & Ireland Head of Anti-Financial Crime and MLRO

1 The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

2 A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

3 Mr. Perry and Ms. Schrand are Advisory Board Members of Deutsche DWS Asset Allocation Trust, Deutsche DWS Equity 500 Index Portfolio, Deutsche DWS Global/International Fund, Inc., Deutsche DWS Income Trust, Deutsche DWS Institutional Funds, Deutsche DWS International Fund, Inc., Deutsche DWS Investment Trust, Deutsche DWS Investments VIT Funds, Deutsche DWS Money Market Trust, Deutsche DWS Municipal Trust, Deutsche DWS Portfolio Trust, Deutsche DWS Securities Trust, Deutsche DWS Tax Free Trust, Deutsche DWS Variable Series I and Government Cash Management Portfolio. Mr. Perry and Ms. Schrand are Board Members of each other Trust.

4 Mr. Perry and Ms. Schrand oversee 21 funds in the DWS Fund Complex as Board Members of various Trusts. Mr. Perry and Ms. Schrand are Advisory Board Members of various Trusts/Corporations comprised of 49 funds in the DWS Fund Complex.

5 As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered "interested persons" of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.

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

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

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

9 Address: 5201 Gate Parkway, Jacksonville, FL 32256.

Certain officers hold similar positions for other investment companies for which DIMA or an affiliate serves as the Advisor.

The Fund's Statement of Additional Information ("SAI") includes additional information about the Board Members. The SAI is available, without charge, upon request. If you would like to request a copy of the SAI, you may do so by calling the following toll-free number: (800) 728-3337.

Notes

Notes

VS2SMCV-2 (R-025829-11 2/22)

Invesco

Annual Report to Shareholders | December 31, 2021

Invesco V.I. Equity and Income Fund

The Fund provides a complete list of its portfolio holdings four times each year, at the end of each fiscal quarter. For the second and fourth quarters, the list appears, respectively, in the Fund's semiannual and annual reports to shareholders. For the first and third quarters, the Fund files the list 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/corporate/about-us/esg. 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, 2021, Series I shares of Invesco V.I. Equity and Income 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, 12/31/20 to 12/31/21, excluding variable product issuer charges. If variable product issuer charges were included, returns would be lower.

Series I Shares	18.65%
Series II Shares	18.35
Russell 1000 Value Index▼ (Broad Market Index)	25.16
Bloomberg U.S. Government/Credit Index▼ (Style-Specific Index)	-1.75
Lipper VUF Mixed-Asset Target Allocation Growth Funds Index■ (Peer Group Index)	14.28

Source(s): ▼RIMES Technologies Corp.; ■Lipper Inc.

Market conditions and your Fund

US political unrest and rising coronavirus (COVID-19) infection rates marked the start of the first quarter of 2021. Additionally, retail investors bid up select stocks like GameStop and AMC Theaters, ultimately causing a sharp selloff in late January. Corporate earnings generally beat expectations, but market volatility rose during the quarter as investors worried about rising bond yields and inflation. Despite the US Federal Reserve's (the Fed's) commitment to an accommodative policy, the 10-year US Treasury yield rose from 0.92% at the end of 2020 to 1.75%[1] at the end of March 2021. Approval of a third COVID-19 vaccine boosted investors' optimism for faster economic recovery. Although March saw increased volatility with consecutive down days in the US stock market, stocks continued to hit all-time highs through April 2021.

The US stock market once again hit new highs in the second quarter of 2021, despite higher volatility stemming from inflation concerns and the potential for rising interest rates. Investors remained optimistic about the strength of the economic recovery after the US gross domestic product (GDP) grew at a 6.4% annualized rate for the first quarter of 2021.[2] Corporate earnings also remained strong as the majority of S&P 500 companies beat Wall Street earnings forecasts. US equity markets continued to move higher in July despite inflation concerns and increasing COVID-19 infection rates due to the rapidly spreading Delta variant. Despite the Consumer Price Index (CPI) increasing in June through September,[3] the Fed declined to raise interest rates at its September Federal Open Market Committee (FOMC) meeting. The US stock market saw continued volatility in August and a selloff through most of September due to increasing concerns of inflation due to a spike in oil prices and supply chain shortages causing rising costs.

Equity markets were volatile in the fourth quarter of 2021 amid record inflation and the emergence of a new COVID-19 variant. Pandemic related supply chain disruption and labor shortages intensified during the quarter, resulting in broadly higher input costs for companies and consumers alike. Additionally, the price of oil (West Texas Intermediate) rose to nearly $85 per barrel in October,[1] causing higher gas prices for consumers and pushing energy stocks higher. The CPI report for November increased 0.8%, resulting in a 6.8% increase over the last 12 months, the highest since 1982.[3] To combat inflation, the Fed announced a faster pace of "tapering" at its December meeting, pledging to end its asset purchase program by March 2022. The Fed also announced the potential for three interest rate increases in 2022. With solid corporate earnings and optimism about the COVID-19 Omicron strain reporting milder symptoms, stocks rallied at year-end and the S&P 500 Index returned 28.71%[4] for the calendar year.

All eleven sectors within the Russell 1000 Value Index had positive returns for the fiscal year. Energy had the highest return for the fiscal year, while the communication services sector had the lowest.

Within the equity allocation, stock selection in health care was the largest detractor during the fiscal year. Medical device makers **Zimmer Biomet** and **Medtronic** detracted from both relative and absolute Fund performance. Shares of both companies suffered as the Delta and Omicron COVID-19 variants began to spread rapidly, causing delays or cancellations to elective procedures and reducing revenues. We believe the delays caused by COVID-19 will be transitory and we maintained our position in both stocks at fiscal year end. The Fund's pharmaceutical holdings also underperformed relative to the broad market index. Specifically, the Fund held a position in **Sanofi**, which is not in the style-specific index. That stock posted a muted return for the fiscal year that underperformed the index. We maintained our position in Sanofi at fiscal year end.

The information technology (IT) sector also detracted from the Fund's return relative to the Russell 1000 Value Index. Within the sector, **Splunk** and **Intel** had double-digit declines. While Intel's earnings beat consensus expectations, the chipmaker provided weaker guidance for the fiscal year, driven in part by shortages of production components for microchips. In November, Splunk announced an abrupt CEO departure that was viewed skeptically by investors. The CEO announcement overshadowed a largely solid earnings report, causing a sharp selloff in the stock. While the departure added uncertainty to the company's future, we believed it could also present opportunities and we maintained our position at fiscal year end.

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 underperformed the Russell 1000 Value Index and were significant detractors from the Fund's relative performance.

While less than 3.5% on average, the Fund's cash position also dampened performance relative to the broad market index in the strong market environment.

Within the equity portion of the Fund, stock selection in industrials was the largest contributor to the Fund's return relative to the broad market index, due primarily to **Johnson Controls**. The company reported better than expected earnings driven in part by strength in its HVAC segment, while orders and backlogs also improved amid a recovery in demand. We held the stock at fiscal year end.

Security selection and an overweight position in financials also contributed to relative Fund performance for the fiscal year. Within the sector, **Wells Fargo**, **Bank of America**, **American International Group**, **Goldman Sachs** and **Morgan Stanley** were significant contributors. These companies rallied as a rotation into cyclical areas of the market favored financial stocks early in the fiscal year. Financial companies also benefited from rising interest rates and a recovery in loan growth. We held positions in these stocks at fiscal year end.

Stock selection in energy and an overweight in energy was another strong contributor to performance relative to the broad market index. Energy stocks overall were buoyed by rising oil prices resulting from a rebound in demand, OPEC (Organization of the Petroleum Exporting Countries) production cuts and energy shortages abroad. Shares of **Devon Energy** rose sharply, particularly following its third-quarter earnings report which exceeded expectations. Even as Devon Energy has benefited from rising oil prices, the company has maintained a commitment to disciplined growth and spending, while returning capital to shareholders. We maintained our position in Devon Energy at fiscal year end.

The Fund held currency forward contracts 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 positive impact on the Fund's relative performance for the fiscal year.

During the fiscal year, the team eliminated equity positions in materials, energy and financials and added positions in communication services, consumer discretionary and health care. At the end of the fiscal year, the Fund's largest overweight exposures were in IT and consumer discretionary, while the largest underweights were in health care and utilities.

As always, we thank you for your investment in Invesco V.I. Equity and Income Fund and for sharing our long-term investment horizon.

1 Source: Bloomberg LP

2 Source: US Bureau of Economic Analysis

3 Source: US Bureau of Labor Statistics

4 Source: Lipper Inc.

Portfolio manager(s):

Chuck Burge

Brian Jurkash - Lead

Sergio Marcheli

Matthew Titus - Lead

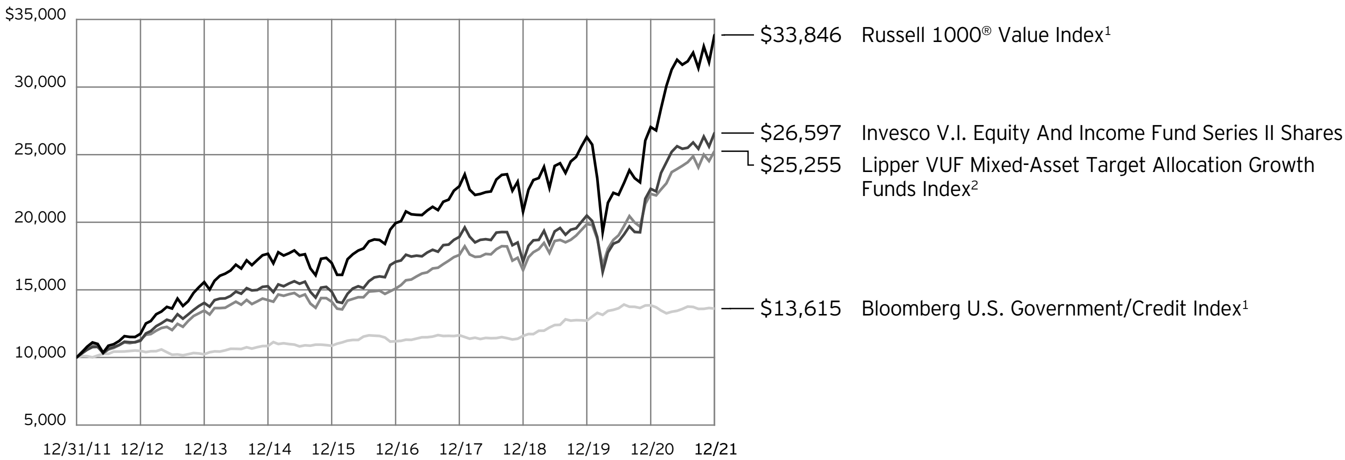
The views and opinions expressed in management's discussion of Fund performance are those of Invesco Advisers, Inc. and its affiliates. These views and opinions are subject to change at any time based on factors such as market and economic conditions. These views and opinions may not be relied upon as 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 12/31/11



1 Source: RIMES Technologies Corp.
2 Source: Lipper Inc.

Past performance cannot guarantee future results.

Average Annual Total Returns *As of 12/31/21*	
Series I Shares	
Inception (6/1/10)	10.22%
10 Years	10.55
5 Years	9.55
1 Year	18.65
Series II Shares	
Inception (4/30/03)	8.45%
10 Years	10.28
5 Years	9.27
1 Year	18.35

Effective June 1, 2010, Class II shares of the predecessor fund, Universal Institutional Funds Equity and Income Portfolio, advised by Morgan Stanley Investment Management Inc. were reorganized into Series II shares of Invesco Van Kampen V.I. Equity and Income Fund (renamed Invesco V.I. Equity and Income Fund on April 29, 2013). Returns shown above, prior to June 1, 2010, for Series II shares are those of the Class II shares of the predecessor fund. Share class returns will differ from the predecessor fund because of different 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. Equity and Income 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. Equity and Income Fund's investment objectives are both capital appreciation and current income.

- Unless otherwise stated, information presented in this report is as of December 31, 2021, and is based on total net assets.
- Unless otherwise noted, all data is 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 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 security type	% of total net assets
Common Stocks & Other Equity Interests	64.28%
U.S. Dollar Denominated Bonds & Notes	20.00
U.S. Treasury Securities	11.51
Security Types Each Less Than 1% of Portfolio	0.64
Money Market Funds Plus Other Assets Less Liabilities	3.57

Top 10 Equity Holdings*

		% of total net assets
1.	Wells Fargo & Co.	2.48%
2.	General Motors Co.	2.33
3.	Cognizant Technology Solutions Corp., Class A	1.99
4.	Bank of America Corp.	1.97
5.	CBRE Group, Inc., Class A	1.83
6.	CSX Corp.	1.61
7.	American International Group, Inc.	1.59
8.	Cisco Systems, Inc.	1.51
9.	Raytheon Technologies Corp.	1.45
10.	Philip Morris International, Inc.	1.42

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, 2021.

Schedule of Investments[a]

December 31, 2021

	Shares	Value
Common Stocks & Other Equity Interests-64.28%		
Aerospace & Defense-3.18%		
General Dynamics Corp.	34,751	$ 7,244,541
Raytheon Technologies Corp.	229,952	19,789,669
Textron, Inc.	211,931	16,361,073
		43,395,283
Apparel Retail-1.15%		
TJX Cos., Inc. (The)	206,953	15,711,872
Application Software-0.48%		
Splunk, Inc.[b]	56,984	6,594,188
Automobile Manufacturers-2.33%		
General Motors Co.[b]	542,334	31,797,042
Building Products-1.01%		
Johnson Controls International PLC	170,042	13,826,115
Cable & Satellite-1.94%		
Charter Communications, Inc., Class A[b]	18,985	12,377,650
Comcast Corp., Class A	280,893	14,137,345
		26,514,995
Casinos & Gaming-0.46%		
Las Vegas Sands Corp.[b]	165,489	6,229,006
Communications Equipment-1.51%		
Cisco Systems, Inc.[c]	324,495	20,563,248
Construction & Engineering-0.78%		
Quanta Services, Inc.[c]	92,826	10,643,429
Consumer Finance-1.02%		
American Express Co.	84,625	13,844,650
Data Processing & Outsourced Services-0.66%		
Fiserv, Inc.[b]	86,448	8,972,438
Distillers & Vintners-0.79%		
Diageo PLC (United Kingdom)	197,659	10,774,968
Diversified Banks-4.45%		
Bank of America Corp.	603,104	26,832,097
Wells Fargo & Co.	703,728	33,764,869
		60,596,966
Electric Utilities-1.59%		
American Electric Power Co., Inc.	82,167	7,310,398
Exelon Corp.	132,784	7,669,604
FirstEnergy Corp.	159,576	6,636,766
		21,616,768
Electrical Components & Equipment-0.56%		
Emerson Electric Co.	81,641	7,590,164
Electronic Components-0.51%		
Corning, Inc.	185,420	6,903,187
Electronic Manufacturing Services-0.65%		
TE Connectivity Ltd.	55,170	8,901,128

	Shares	Value
Fertilizers & Agricultural Chemicals-0.90%		
Corteva, Inc.	259,209	$ 12,255,402
Food Distributors-1.19%		
Sysco Corp.	105,156	8,260,004
US Foods Holding Corp.[b]	228,927	7,973,527
		16,233,531
Gold-0.45%		
Barrick Gold Corp. (Canada)	322,571	6,128,849
Health Care Distributors-0.82%		
McKesson Corp.	44,919	11,165,516
Health Care Equipment-1.07%		
Medtronic PLC	82,842	8,570,005
Zimmer Biomet Holdings, Inc.	47,692	6,058,792
		14,628,797
Health Care Facilities-0.50%		
Universal Health Services, Inc., Class B	53,116	6,887,021
Health Care Services-1.66%		
Cigna Corp.	52,048	11,951,782
CVS Health Corp.	103,593	10,686,654
		22,638,436
Hotels, Resorts & Cruise Lines-0.85%		
Booking Holdings, Inc.[b]	4,856	11,650,661
Industrial Machinery-0.85%		
Parker-Hannifin Corp.	36,411	11,583,067
Insurance Brokers-0.76%		
Willis Towers Watson PLC	43,390	10,304,691
Integrated Oil & Gas-1.07%		
Chevron Corp.	123,894	14,538,961
Internet & Direct Marketing Retail-0.49%		
Amazon.com, Inc.[b]	2,015	6,718,695
Investment Banking & Brokerage-3.55%		
Charles Schwab Corp. (The)	153,254	12,888,661
Goldman Sachs Group, Inc. (The)	48,171	18,427,816
Morgan Stanley	173,428	17,023,693
		48,340,170
IT Consulting & Other Services-1.99%		
Cognizant Technology Solutions Corp., Class A	305,625	27,115,050
Managed Health Care-1.34%		
Anthem, Inc.	21,302	9,874,329
Centene Corp.[b]	101,515	8,364,836
		18,239,165
Movies & Entertainment-1.80%		
Netflix, Inc.[b]	16,483	9,930,018
Walt Disney Co. (The)[b]	94,319	14,609,070
		24,539,088

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Shares	Value
Multi-line Insurance-1.59%		
American International Group, Inc.	381,287	$ 21,679,979
Oil & Gas Exploration & Production-3.30%		
Canadian Natural Resources Ltd. (Canada)	168,813	7,133,131
ConocoPhillips	242,349	17,492,751
Devon Energy Corp.	270,601	11,919,974
Pioneer Natural Resources Co.	46,543	8,465,241
		45,011,097
Other Diversified Financial Services-0.50%		
Voya Financial, Inc.	102,932	6,825,421
Pharmaceuticals-4.44%		
Bristol-Myers Squibb Co.	201,835	12,584,412
GlaxoSmithKline PLC (United Kingdom)	344,904	7,499,631
Johnson & Johnson	44,840	7,670,779
Merck & Co., Inc.	188,359	14,435,834
Pfizer, Inc.	127,186	7,510,333
Sanofi (France)	108,009	10,852,058
		60,553,047
Railroads-1.61%		
CSX Corp.	582,011	21,883,614
Real Estate Services-1.83%		
CBRE Group, Inc., Class A[(b)]	230,391	24,999,727
Regional Banks-3.06%		
Citizens Financial Group, Inc.	380,677	17,986,988
PNC Financial Services Group, Inc. (The)	42,665	8,555,186
Truist Financial Corp.[(c)]	258,310	15,124,051
		41,666,225
Semiconductors-2.79%		
Intel Corp.	270,844	13,948,466
NXP Semiconductors N.V. (China)	46,498	10,591,315
QUALCOMM, Inc.	73,530	13,446,431
		37,986,212
Specialty Chemicals-0.57%		
Axalta Coating Systems Ltd.[(b)]	233,149	7,721,895
Tobacco-1.41%		
Philip Morris International, Inc.	202,893	19,274,835
Wireless Telecommunication Services-0.82%		
T-Mobile US, Inc.[(b)]	96,931	11,242,057
Total Common Stocks & Other Equity Interests (Cost $559,633,081)		876,286,656

	Principal Amount	Value
U.S. Dollar Denominated Bonds & Notes-20.00%		
Aerospace & Defense-0.21%		
Boeing Co. (The), 5.81%, 05/01/2050	$ 1,625,000	2,204,649
Precision Castparts Corp., 2.50%, 01/15/2023	333,000	337,978
Raytheon Technologies Corp., 4.45%, 11/16/2038	308,000	371,960
		2,914,587
Agricultural & Farm Machinery-0.09%		
Deere & Co., 2.60%, 06/08/2022	$ 1,161,000	$ 1,166,206
Agricultural Products-0.02%		
Ingredion, Inc., 6.63%, 04/15/2037	232,000	324,671
Air Freight & Logistics-0.06%		
FedEx Corp., 4.90%, 01/15/2034	402,000	485,795
United Parcel Service, Inc., 3.40%, 11/15/2046	240,000	270,598
		756,393
Airlines-0.29%		
American Airlines Pass-Through Trust, Series 2014-1, Class A, 3.70%, 04/01/2028	272,034	276,554
JetBlue Airways Corp., Conv., 0.50%, 04/01/2026[(d)]	1,732,000	1,623,261
Spirit Airlines, Inc., Conv., 1.00%, 05/15/2026	1,157,000	1,003,166
United Airlines Pass-Through Trust, Series 2012-1, Class A, 4.15%, 04/11/2024	270,463	280,700
Series 2014-2, Class A, 3.75%, 09/03/2026	349,332	365,633
Series 2018-1, Class AA, 3.50%, 03/01/2030	439,643	459,444
		4,008,758
Alternative Carriers-0.20%		
Liberty Latin America Ltd. (Chile), Conv., 2.00%, 07/15/2024	2,743,000	2,708,712
Application Software-0.96%		
Dropbox, Inc., Conv., 0.00%, 03/01/2026[(d)(e)]	5,339,000	5,218,872
salesforce.com, inc., 2.70%, 07/15/2041	1,413,000	1,413,935
Splunk, Inc., Conv., 1.13%, 06/15/2027	6,876,000	6,446,250
		13,079,057
Asset Management & Custody Banks-0.28%		
Apollo Management Holdings L.P., 4.00%, 05/30/2024[(d)]	2,755,000	2,920,373
Brookfield Asset Management, Inc. (Canada), 4.00%, 01/15/2025	445,000	475,980
KKR Group Finance Co. III LLC, 5.13%, 06/01/2044[(d)]	372,000	480,936
		3,877,289
Automobile Manufacturers-0.26%		
General Motors Co., 6.60%, 04/01/2036	377,000	510,705
General Motors Financial Co., Inc., 5.25%, 03/01/2026	480,000	538,775
Toyota Motor Credit Corp., 2.60%, 01/11/2022	2,460,000	2,461,051
		3,510,531

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Biotechnology-0.52%		
AbbVie, Inc., 4.50%, 05/14/2035	$ 694,000	$ 831,508
4.05%, 11/21/2039	1,322,000	1,519,748
4.85%, 06/15/2044	264,000	331,587
Gilead Sciences, Inc., 3.25%, 09/01/2022[(c)]	2,070,000	2,098,172
Neurocrine Biosciences, Inc., Conv., 2.25%, 05/15/2024	1,875,000	2,356,641
		7,137,656
Brewers-0.24%		
Anheuser-Busch Cos. LLC/Anheuser-Busch InBev Worldwide, Inc. (Belgium), 4.70%, 02/01/2036	959,000	1,159,166
4.90%, 02/01/2046	538,000	681,563
Heineken N.V. (Netherlands), 3.50%, 01/29/2028[(d)]	945,000	1,018,463
Molson Coors Beverage Co., 4.20%, 07/15/2046	377,000	418,926
		3,278,118
Cable & Satellite-1.85%		
BofA Finance LLC, Conv., 0.13%, 09/01/2022	2,213,000	2,491,838
Cable One, Inc., Conv., 0.00%, 03/15/2026[(d)(e)]	5,466,000	5,252,826
1.13%, 03/15/2028[(d)]	2,850,000	2,835,253
Charter Communications Operating LLC/Charter Communications Operating Capital Corp., 4.46%, 07/23/2022	1,029,000	1,044,294
3.85%, 04/01/2061	1,067,000	1,009,224
Comcast Corp., 4.15%, 10/15/2028	935,000	1,062,114
3.90%, 03/01/2038	756,000	857,039
2.89%, 11/01/2051[(d)]	352,000	341,370
2.94%, 11/01/2056[(d)]	265,000	253,113
Cox Communications, Inc., 2.95%, 10/01/2050[(d)]	202,000	189,145
DISH Network Corp., Conv., 3.38%, 08/15/2026	7,604,000	7,216,599
Liberty Broadband Corp., Conv., 1.25%, 10/05/2023[(d)(f)]	2,645,000	2,621,195
		25,174,010
Commodity Chemicals-0.03%		
LYB Finance Co. B.V. (Netherlands), 8.10%, 03/15/2027[(d)]	339,000	435,059
Computer & Electronics Retail-0.19%		
Dell International LLC/EMC Corp., 5.45%, 06/15/2023	163,000	172,005
6.02%, 06/15/2026	2,125,000	2,458,621
8.35%, 07/15/2046	4,000	6,664
		2,637,290
Consumer Finance-0.14%		
American Express Co., 3.63%, 12/05/2024[(c)]	324,000	346,453
Capital One Financial Corp., 3.20%, 01/30/2023	958,000	981,473
Consumer Finance-(continued)		
Synchrony Financial, 3.95%, 12/01/2027	$ 556,000	$ 597,519
		1,925,445
Data Processing & Outsourced Services-0.11%		
Fiserv, Inc., 3.80%, 10/01/2023	1,412,000	1,476,571
Diversified Banks-1.30%		
ANZ New Zealand (Int'l) Ltd. (New Zealand), 2.88%, 01/25/2022[(d)]	350,000	350,479
Bank of America Corp., 3.25%, 10/21/2027	525,000	559,187
2.57%, 10/20/2032[(g)]	874,000	878,835
BBVA Bancomer S.A. (Mexico), 4.38%, 04/10/2024[(d)]	700,000	744,496
Citigroup, Inc., 4.00%, 08/05/2024	60,000	63,974
3.67%, 07/24/2028[(g)]	511,000	551,553
6.68%, 09/13/2043[(c)]	741,000	1,118,857
5.30%, 05/06/2044	228,000	298,194
4.75%, 05/18/2046	356,000	438,834
Discover Bank, 3.35%, 02/06/2023	1,500,000	1,536,256
HSBC Holdings PLC (United Kingdom), 2.63%, 11/07/2025[(g)]	1,775,000	1,821,769
JPMorgan Chase & Co., 3.20%, 06/15/2026	394,000	418,224
3.51%, 01/23/2029[(g)]	1,058,000	1,134,265
4.26%, 02/22/2048[(g)]	489,000	599,265
3.90%, 01/23/2049[(g)]	1,058,000	1,228,700
Series V, 3.53%(3 mo. USD LIBOR + 3.32%)[(h)(i)]	732,000	734,735
Mizuho Financial Group Cayman 3 Ltd. (Japan), 4.60%, 03/27/2024[(d)]	200,000	212,610
Societe Generale S.A. (France), 5.00%, 01/17/2024[(d)]	735,000	782,720
U.S. Bancorp, Series W, 3.10%, 04/27/2026	2,097,000	2,218,194
Wells Fargo & Co., 3.55%, 09/29/2025	626,000	667,647
4.10%, 06/03/2026	505,000	550,970
4.65%, 11/04/2044	647,000	785,049
		17,694,813
Diversified Capital Markets-0.34%		
Credit Suisse AG (Switzerland), 6.50%, 08/08/2023[(d)]	686,000	739,957
Conv., 0.50%, 06/24/2024[(d)]	3,965,000	3,901,164
		4,641,121
Diversified Metals & Mining-0.02%		
Rio Tinto Finance USA Ltd. (Australia), 7.13%, 07/15/2028	182,000	237,466
Diversified REITs-0.08%		
CubeSmart L.P., 2.50%, 02/15/2032	1,063,000	1,059,539
Drug Retail-0.08%		
CVS Pass-Through Trust, 6.04%, 12/10/2028	516,133	588,592

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Drug Retail-(continued)		
Walgreens Boots Alliance, Inc., 4.50%, 11/18/2034	$ 428,000	$ 492,955
		1,081,547
Electric Utilities-0.44%		
Electricite de France S.A. (France), 4.88%, 01/22/2044(d)	846,000	1,053,694
Georgia Power Co., Series B, 3.70%, 01/30/2050	350,000	373,134
NextEra Energy Capital Holdings, Inc., 0.65%, 03/01/2023	2,415,000	2,410,632
3.55%, 05/01/2027	530,000	574,575
PPL Electric Utilities Corp., 6.25%, 05/15/2039	46,000	66,107
Xcel Energy, Inc., 0.50%, 10/15/2023	566,000	562,430
3.50%, 12/01/2049	964,000	1,027,869
		6,068,441
Electrical Components & Equipment-0.02%		
Rockwell Automation, Inc., 1.75%, 08/15/2031	307,000	298,639
General Merchandise Stores-0.03%		
Dollar General Corp., 3.25%, 04/15/2023	353,000	361,645
Health Care Equipment-0.37%		
Becton, Dickinson and Co., 4.88%, 05/15/2044	428,000	514,698
Integra LifeSciences Holdings Corp., Conv., 0.50%, 08/15/2025	3,404,000	3,703,892
Medtronic, Inc., 4.38%, 03/15/2035	249,000	306,784
Tandem Diabetes Care, Inc., Conv., 1.50%, 05/01/2025(d)	348,000	517,650
		5,043,024
Health Care Services-0.08%		
Cigna Corp., 4.80%, 08/15/2038	307,000	378,290
CVS Health Corp., 3.38%, 08/12/2024	361,000	379,624
Laboratory Corp. of America Holdings, 4.70%, 02/01/2045	263,000	320,845
		1,078,759
Health Care Technology-0.23%		
Teladoc Health, Inc., Conv., 1.25%, 06/01/2027	3,430,000	3,140,594
Home Improvement Retail-0.15%		
Home Depot, Inc. (The), 2.63%, 06/01/2022	2,010,000	2,025,596
Hotel & Resort REITs-0.01%		
Service Properties Trust, 5.00%, 08/15/2022	182,000	182,014
Hotels, Resorts & Cruise Lines-0.24%		
Booking Holdings, Inc., Conv., 0.75%, 05/01/2025	396,000	583,506
Trip.com Group Ltd. (China), Conv., 1.25%, 09/15/2022	2,834,000	2,700,758
		3,284,264
Industrial Conglomerates-0.04%		
Honeywell International, Inc., 0.48%, 08/19/2022	$ 480,000	$ 480,070
Insurance Brokers-0.02%		
Willis North America, Inc., 3.60%, 05/15/2024	233,000	244,175
Integrated Oil & Gas-0.17%		
BP Capital Markets America, Inc., 2.94%, 06/04/2051	991,000	953,874
Chevron Corp., 2.50%, 03/03/2022	1,345,000	1,347,405
		2,301,279
Integrated Telecommunication Services-0.38%		
AT&T, Inc., 3.00%, 06/30/2022	502,000	505,864
4.30%, 02/15/2030	318,000	358,274
3.50%, 09/15/2053	447,000	451,819
3.55%, 09/15/2055	157,000	157,835
3.80%, 12/01/2057	255,000	266,076
Telefonica Emisiones S.A. (Spain), 4.67%, 03/06/2038	750,000	864,399
5.21%, 03/08/2047	700,000	871,169
Verizon Communications, Inc., 4.40%, 11/01/2034	417,000	486,470
4.81%, 03/15/2039	459,000	576,619
3.40%, 03/22/2041	561,000	588,382
		5,126,907
Interactive Home Entertainment-0.48%		
Zynga, Inc., Conv., 0.00%, 12/15/2026(e)	7,098,000	6,513,063
Interactive Media & Services-0.16%		
TripAdvisor, Inc., Conv., 0.25%, 04/01/2026(d)	338,000	298,285
Twitter, Inc., Conv., 0.00%, 03/15/2026(d)(e)	2,051,000	1,847,131
		2,145,416
Internet & Direct Marketing Retail-0.23%		
Amazon.com, Inc., 4.80%, 12/05/2034	9,000	11,511
2.88%, 05/12/2041	2,996,000	3,117,054
		3,128,565
Internet Services & Infrastructure-0.28%		
Shopify, Inc. (Canada), Conv., 0.13%, 11/01/2025	3,055,000	3,826,387
Investment Banking & Brokerage-0.66%		
Goldman Sachs Group, Inc. (The), 4.25%, 10/21/2025	529,000	577,441
2.91%, 07/21/2042(g)	323,000	321,740
GS Finance Corp., Series 0001, Conv., 0.25%, 07/08/2024	6,118,000	7,441,323
Morgan Stanley, 4.00%, 07/23/2025	654,000	709,364
		9,049,868
IT Consulting & Other Services-0.11%		
International Business Machines Corp., 2.88%, 11/09/2022	1,421,000	1,449,295

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Leisure Products-0.25%		
Peloton Interactive, Inc., Conv., 0.00%, 02/15/2026[d][e]	$ 4,003,000	$ 3,412,557
Life & Health Insurance-0.86%		
American Equity Investment Life Holding Co., 5.00%, 06/15/2027[c]	853,000	966,595
Athene Global Funding, 4.00%, 01/25/2022[d]	1,155,000	1,157,432
2.75%, 06/25/2024[d]	260,000	268,145
Athene Holding Ltd., 3.45%, 05/15/2052	1,465,000	1,475,060
Brighthouse Financial, Inc., 3.85%, 12/22/2051	1,846,000	1,824,984
Delaware Life Global Funding, Series 21-1, 2.66%, 06/29/2026[d]	2,184,000	2,223,530
Guardian Life Global Funding, 2.90%, 05/06/2024[c][d]	689,000	719,312
Jackson National Life Global Funding, 3.25%, 01/30/2024[d]	453,000	472,373
Nationwide Financial Services, Inc., 5.30%, 11/18/2044[d]	440,000	562,677
Protective Life Global Funding, 2.62%, 08/22/2022[d]	1,865,000	1,890,607
Prudential Financial, Inc., 3.91%, 12/07/2047	141,000	164,120
		11,724,835
Managed Health Care-0.05%		
UnitedHealth Group, Inc., 3.50%, 08/15/2039	559,000	620,984
Movies & Entertainment-1.06%		
Liberty Media Corp., Conv., 1.38%, 10/15/2023	5,671,000	8,562,012
Liberty Media Corp.-Liberty Formula One, Conv., 1.00%, 01/30/2023	540,000	933,281
Live Nation Entertainment, Inc., Conv., 2.50%, 03/15/2023	2,015,000	3,647,150
Walt Disney Co. (The), 3.00%, 09/15/2022	1,350,000	1,373,745
		14,516,188
Multi-line Insurance-0.13%		
American International Group, Inc., 4.38%, 01/15/2055	696,000	856,153
Liberty Mutual Group, Inc., 3.95%, 05/15/2060[d]	887,000	977,276
		1,833,429
Multi-Utilities-0.09%		
NiSource, Inc., 4.38%, 05/15/2047	571,000	674,072
Sempra Energy, 3.80%, 02/01/2038	559,000	614,493
		1,288,565
Office REITs-0.05%		
Office Properties Income Trust, 4.00%, 07/15/2022	689,000	698,238
Oil & Gas Exploration & Production-0.07%		
Cameron LNG LLC, 3.70%, 01/15/2039[d]	622,000	671,860

	Principal Amount	Value
Oil & Gas Exploration & Production-(continued)		
ConocoPhillips, 4.15%, 11/15/2034	$ 230,000	$ 261,220
		933,080
Oil & Gas Storage & Transportation-0.65%		
Energy Transfer L.P., Series 5Y, 4.20%, 09/15/2023	1,724,000	1,801,051
4.90%, 03/15/2035	344,000	389,816
5.30%, 04/01/2044	587,000	673,638
5.00%, 05/15/2050	724,000	835,131
Enterprise Products Operating LLC, 6.45%, 09/01/2040	23,000	31,906
4.25%, 02/15/2048	696,000	789,732
Kinder Morgan, Inc., 5.30%, 12/01/2034	407,000	490,537
MPLX L.P., 4.50%, 07/15/2023	1,721,000	1,792,216
4.50%, 04/15/2038	810,000	908,688
Plains All American Pipeline L.P./PAA Finance Corp., 3.65%, 06/01/2022	323,000	324,599
Spectra Energy Partners L.P., 4.50%, 03/15/2045	488,000	565,465
Texas Eastern Transmission L.P., 7.00%, 07/15/2032	169,000	229,202
		8,831,981
Other Diversified Financial Services-1.02%		
AerCap Ireland Capital DAC/AerCap Global Aviation Trust (Ireland), 3.85%, 10/29/2041	410,000	427,824
Convertible Trust - Energy, Series 2019-1, 0.33%, 09/19/2024	5,856,000	6,652,416
Convertible Trust - Media, Series 2019, Class 1, 0.25%, 12/04/2024	5,872,000	6,890,792
		13,971,032
Packaged Foods & Meats-0.00%		
Mead Johnson Nutrition Co. (United Kingdom), 4.13%, 11/15/2025	63,000	68,713
Paper Packaging-0.02%		
International Paper Co., 6.00%, 11/15/2041	223,000	308,705
Pharmaceuticals-0.79%		
AstraZeneca PLC (United Kingdom), 2.38%, 06/12/2022	2,905,000	2,923,560
Bayer US Finance II LLC (Germany), 4.38%, 12/15/2028[d]	985,000	1,101,169
Bristol-Myers Squibb Co., 4.13%, 06/15/2039	621,000	735,887
GlaxoSmithKline Capital, Inc. (United Kingdom), 6.38%, 05/15/2038	64,000	93,809
Jazz Investments I Ltd., Conv., 2.00%, 06/15/2026	1,556,000	1,764,115
Pacira BioSciences, Inc., Conv., 0.75%, 08/01/2025	2,342,000	2,601,084
Supernus Pharmaceuticals, Inc., Conv., 0.63%, 04/01/2023	1,182,000	1,170,919
Zoetis, Inc., 4.70%, 02/01/2043	333,000	425,381
		10,815,924

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Property & Casualty Insurance-0.19%		
Allstate Corp. (The), 3.28%, 12/15/2026	$ 302,000	$ 324,553
Markel Corp., 5.00%, 03/30/2043	351,000	429,182
5.00%, 05/20/2049	497,000	635,133
Travelers Cos., Inc. (The), 4.60%, 08/01/2043[c]	605,000	774,783
W.R. Berkley Corp., 4.63%, 03/15/2022	382,000	385,057
		2,548,708
Railroads-0.27%		
Canadian Pacific Railway Co. (Canada), 3.00%, 12/02/2041	399,000	408,783
CSX Corp., 5.50%, 04/15/2041	346,000	462,146
Norfolk Southern Corp., 3.40%, 11/01/2049	461,000	496,109
Union Pacific Corp., 3.65%, 02/15/2024	92,000	96,198
3.20%, 05/20/2041	1,018,000	1,085,819
4.15%, 01/15/2045	426,000	506,895
3.84%, 03/20/2060	519,000	613,038
		3,668,988
Real Estate Services-0.25%		
Redfin Corp., Conv., 0.00%, 10/15/2025[e]	3,783,000	3,388,149
Regional Banks-0.05%		
PNC Financial Services Group, Inc. (The), 3.45%, 04/23/2029	689,000	750,893
Reinsurance-0.07%		
PartnerRe Finance B LLC, 3.70%, 07/02/2029	500,000	545,166
Reinsurance Group of America, Inc., 4.70%, 09/15/2023	352,000	372,871
		918,037
Renewable Electricity-0.06%		
Oglethorpe Power Corp., 4.55%, 06/01/2044	679,000	771,608
Restaurants-0.06%		
Starbucks Corp., 3.55%, 08/15/2029	705,000	770,782
Retail REITs-0.08%		
Regency Centers L.P., 2.95%, 09/15/2029	750,000	779,223
4.65%, 03/15/2049	256,000	318,790
		1,098,013
Semiconductors-0.73%		
Broadcom, Inc., 4.25%, 04/15/2026	1,245,000	1,359,026
3.47%, 04/15/2034[d]	640,000	670,717
Marvell Technology, Inc., 2.45%, 04/15/2028	1,210,000	1,228,127
Microchip Technology, Inc., Conv., 0.13%, 11/15/2024	3,865,000	4,802,262
Micron Technology, Inc., 4.66%, 02/15/2030	680,000	784,683
3.37%, 11/01/2041	179,000	184,067

	Principal Amount	Value
Semiconductors-(continued)		
NXP B.V./NXP Funding LLC (China), 5.35%, 03/01/2026[d]	$ 676,000	$ 764,538
Texas Instruments, Inc., 2.63%, 05/15/2024	215,000	223,389
		10,016,809
Specialized REITs-0.32%		
American Tower Corp., 1.60%, 04/15/2026	852,000	844,125
Crown Castle International Corp., 2.50%, 07/15/2031	1,413,000	1,404,084
4.75%, 05/15/2047	46,000	56,578
EPR Properties, 4.75%, 12/15/2026	1,556,000	1,663,984
LifeStorage L.P., 3.50%, 07/01/2026	404,000	432,689
		4,401,460
Specialty Chemicals-0.01%		
Sherwin-Williams Co. (The), 4.50%, 06/01/2047	159,000	198,657
Systems Software-0.47%		
Mandiant, Inc., Series B, Conv., 1.63%, 06/01/2022[f]	1,795,000	1,799,633
Series A, Conv., 1.00%, 06/01/2025[f]	1,642,000	1,620,013
Microsoft Corp., 3.50%, 02/12/2035	404,000	462,108
Oracle Corp., 3.60%, 04/01/2040	965,000	969,441
VMware, Inc., 1.00%, 08/15/2024	1,509,000	1,495,304
		6,346,499
Technology Distributors-0.05%		
Avnet, Inc., 4.63%, 04/15/2026	671,000	736,188
Technology Hardware, Storage & Peripherals-0.24%		
Apple, Inc., 2.15%, 02/09/2022	691,000	692,255
3.35%, 02/09/2027	315,000	342,062
Western Digital Corp., Conv., 1.50%, 02/01/2024	2,149,000	2,179,892
		3,214,209
Tobacco-0.23%		
Altria Group, Inc., 5.80%, 02/14/2039	1,124,000	1,352,996
Philip Morris International, Inc., 3.60%, 11/15/2023	369,000	387,156
4.88%, 11/15/2043	1,102,000	1,344,159
		3,084,311
Trading Companies & Distributors-0.10%		
Air Lease Corp., 3.00%, 09/15/2023	63,000	64,682
4.25%, 09/15/2024	427,000	454,500
Aircastle Ltd., 4.40%, 09/25/2023	771,000	808,156
		1,327,338
Trucking-0.06%		
Aviation Capital Group LLC, 4.88%, 10/01/2025[d]	709,000	767,294

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Wireless Telecommunication Services-0.35%		
America Movil S.A.B. de C.V. (Mexico), 4.38%, 07/16/2042	$ 600,000	$ 713,806
Rogers Communications, Inc. (Canada), 4.50%, 03/15/2043	533,000	613,035
4.30%, 02/15/2048	1,394,000	1,599,171
T-Mobile USA, Inc., 2.70%, 03/15/2032[(d)]	1,074,000	1,081,829
3.40%, 10/15/2052[(d)]	750,000	747,936
		4,755,777
Total U.S. Dollar Denominated Bonds & Notes (Cost $255,110,127)		272,660,791
U.S. Treasury Securities-11.51%		
U.S. Treasury Bills-0.00%		
0.05%, 02/17/2022[(j)(k)]	10,000	9,999
U.S. Treasury Bonds-1.32%		
4.50%, 02/15/2036	2,636,800	3,624,776
4.50%, 08/15/2039	36,400	51,415
4.38%, 05/15/2040	72,800	101,923
2.00%, 11/15/2041	5,787,800	5,855,626
2.00%, 08/15/2051	8,191,700	8,352,974
		17,986,714
U.S. Treasury Notes-10.19%		
0.50%, 11/30/2023[(c)]	24,664,300	24,571,809
1.00%, 12/15/2024	24,618,500	24,648,312
1.25%, 11/30/2026[(c)]	54,595,800	54,570,208
1.50%, 11/30/2028	25,222,100	25,328,506
1.38%, 11/15/2031[(c)]	9,916,800	9,794,389
		138,913,224
Total U.S. Treasury Securities (Cost $156,445,497)		156,909,937
	Shares	
Preferred Stocks-0.57%		
Asset Management & Custody Banks-0.19%		
AMG Capital Trust II, 5.15%, Conv. Pfd.	44,432	2,589,497
Diversified Banks-0.02%		
Wells Fargo & Co., 5.85%, Series Q, Pfd.[(g)]	10,911	292,306
Oil & Gas Storage & Transportation-0.36%		
El Paso Energy Capital Trust I, 4.75%, Conv. Pfd.	95,499	4,831,294
Total Preferred Stocks (Cost $5,960,701)		7,713,097

Investment Abbreviations:

Conv. – Convertible
LIBOR – London Interbank Offered Rate
Pfd. – Preferred
REIT – Real Estate Investment Trust
USD – U.S. Dollar

	Principal Amount	Value
U.S. Government Sponsored Agency Mortgage-Backed Securities-0.07%		
Federal Home Loan Mortgage Corp. (FHLMC)-0.07%		
6.75%, 03/15/2031	$ 682,000	$ 980,539
5.50%, 02/01/2037	4	4
		980,543
Federal National Mortgage Association (FNMA)-0.00%		
9.50%, 04/01/2030	421	458
Total U.S. Government Sponsored Agency Mortgage-Backed Securities (Cost $842,793)		981,001
	Shares	
Money Market Funds-3.51%		
Invesco Government & Agency Portfolio, Institutional Class, 0.03%[(l)(m)]	18,629,728	18,629,728
Invesco Liquid Assets Portfolio, Institutional Class, 0.02%[(l)(m)]	7,881,664	7,883,240
Invesco Treasury Portfolio, Institutional Class, 0.01%[(l)(m)]	21,291,118	21,291,118
Total Money Market Funds (Cost $47,798,900)		47,804,086
TOTAL INVESTMENTS IN SECURITIES (excluding investments purchased with cash collateral from securities on loan)-99.94% (Cost $1,025,791,099)		1,362,355,568
Investments Purchased with Cash Collateral from Securities on Loan		
Money Market Funds-5.53%		
Invesco Private Government Fund, 0.02%[(l)(m)(n)]	22,604,761	22,604,761
Invesco Private Prime Fund, 0.11%[(l)(m)(n)]	52,733,897	52,744,442
Total Investments Purchased with Cash Collateral from Securities on Loan (Cost $75,349,205)		75,349,203
TOTAL INVESTMENTS IN SECURITIES-105.47% (Cost $1,101,140,304)		1,437,704,771
OTHER ASSETS LESS LIABILITIES–(5.47)%		(74,550,642)
NET ASSETS-100.00%		$1,363,154,129

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

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) Non-income producing security.
(c) All or a portion of this security was out on loan at December 31, 2021.
(d) 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, 2021 was $51,127,304, which represented 3.75% of the Fund's Net Assets.
(e) Zero coupon bond issued at a discount.
(f) Security has an irrevocable call by the issuer or mandatory put by the holder. Maturity date reflects such call or put.
(g) Security issued at a fixed rate for a specific period of time, after which it will convert to a variable rate.
(h) Perpetual bond with no specified maturity date.
(i) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on December 31, 2021.
(j) All or a portion of the value was pledged as collateral to cover margin requirements for open futures contracts. See Note 1L.
(k) Security traded on a discount basis. The interest rate shown represents the discount rate at the time of purchase by the Fund.
(l) 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, 2021.

	Value December 31, 2020	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation (Depreciation)	Realized Gain (Loss)	Value December 31, 2021	Dividend Income
Investments in Affiliated Money Market Funds:							
Invesco Government & Agency Portfolio, Institutional Class	$22,007,337	$ 83,704,060	$ (87,081,669)	$ -	$ -	$ 18,629,728	$ 5,502
Invesco Liquid Assets Portfolio, Institutional Class	11,695,851	58,243,393	(62,055,730)	(1,649)	1,375	7,883,240	1,526
Invesco Treasury Portfolio, Institutional Class	25,151,242	95,661,783	(99,521,907)	-	-	21,291,118	2,325
Investments Purchased with Cash Collateral from Securities on Loan:							
Invesco Private Government Fund	-	373,494,852	(350,890,091)	-	-	22,604,761	1,277*
Invesco Private Prime Fund	-	812,269,719	(759,521,654)	(2)	(3,621)	52,744,442	16,562*
Total	$58,854,430	$1,423,373,807	$(1,359,071,051)	$(1,651)	$(2,246)	$123,153,289	$ 27,192

* Represents the income earned on the investment of cash collateral, which is included in securities lending income on the Statement of Operations. Does not include rebates and fees paid to lending agent or premiums received from borrowers, if any.

(m) The rate shown is the 7-day SEC standardized yield as of December 31, 2021.
(n) The security has been segregated to satisfy the commitment to return the cash collateral received in securities lending transactions upon the borrower's return of the securities loaned. See Note 1I.

Open Futures Contracts

Short Futures Contracts	Number of Contracts	Expiration Month	Notional Value	Value	Unrealized Appreciation (Depreciation)
Interest Rate Risk					
U.S. Treasury 5 Year Notes	9	March-2022	$(1,088,789)	$(4,570)	$(4,570)

Open Forward Foreign Currency Contracts

Settlement Date	Counterparty	Contract to Deliver		Contract to Receive		Unrealized Appreciation (Depreciation)
Currency Risk						
01/07/2022	State Street Bank & Trust Co.	CAD	423,840	USD	335,213	$ 149
01/07/2022	State Street Bank & Trust Co.	USD	1,487,231	CAD	1,906,023	19,564
01/07/2022	State Street Bank & Trust Co.	USD	525,454	EUR	464,710	3,648
Subtotal—Appreciation						23,361
Currency Risk						
01/07/2022	State Street Bank & Trust Co.	CAD	8,178,028	USD	6,387,956	(77,132)
01/07/2022	State Street Bank & Trust Co.	EUR	7,661,475	USD	8,639,430	(83,666)

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Open Forward Foreign Currency Contracts—(continued)

Settlement Date	Counterparty	Contract to Deliver		Contract to Receive		Unrealized Appreciation (Depreciation)
01/07/2022	State Street Bank & Trust Co.	GBP	10,188,543	USD	13,498,363	$(292,282)
Subtotal—Depreciation						(453,080)
Total Forward Foreign Currency Contracts						$(429,719)

Abbreviations:

CAD – Canadian Dollar
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, 2021

Assets:	
Investments in unaffiliated securities, at value (Cost $977,992,199)*	$1,314,551,482
Investments in affiliated money market funds, at value (Cost $123,148,105)	123,153,289
Other investments:	
Unrealized appreciation on forward foreign currency contracts outstanding	23,361
Foreign currencies, at value (Cost $725)	728
Receivable for:	
Fund shares sold	340,221
Dividends	1,012,741
Interest	1,778,216
Investment for trustee deferred compensation and retirement plans	194,510
Other assets	5,298
Total assets	1,441,059,846
Liabilities:	
Other investments:	
Variation margin payable - futures contracts	614
Unrealized depreciation on forward foreign currency contracts outstanding	453,080
Payable for:	
Fund shares reacquired	515,649
Amount due custodian	492,862
Collateral upon return of securities loaned	75,349,205
Accrued fees to affiliates	767,858
Accrued other operating expenses	112,547
Trustee deferred compensation and retirement plans	213,902
Total liabilities	77,905,717
Net assets applicable to shares outstanding	$1,363,154,129
Net assets consist of:	
Shares of beneficial interest	$ 873,188,401
Distributable earnings	489,965,728
	$1,363,154,129
Net Assets:	
Series I	$ 79,349,328
Series II	$1,283,804,801
Shares outstanding, no par value, with an unlimited number of shares authorized:	
Series I	3,834,817
Series II	62,462,245
Series I:	
Net asset value per share	$ 20.69
Series II:	
Net asset value per share	$ 20.55

* At December 31, 2021, securities with an aggregate value of $73,766,595 were on loan to brokers.

Statement of Operations

For the year ended December 31, 2021

Investment income:	
Interest	$ 6,624,658
Dividends (net of foreign withholding taxes of $188,235)	17,452,284
Dividends from affiliated money market funds (includes securities lending income of $75,520)	84,873
Total investment income	24,161,815
Expenses:	
Advisory fees	5,097,444
Administrative services fees	2,215,827
Distribution fees - Series II	3,205,948
Transfer agent fees	54,097
Trustees' and officers' fees and benefits	33,772
Reports to shareholders	4,454
Professional services fees	53,277
Other	17,626
Total expenses	10,682,445
Less: Fees waived	(13,973)
Net expenses	10,668,472
Net investment income	13,493,343
Realized and unrealized gain (loss) from:	
Net realized gain (loss) from:	
Unaffiliated investment securities	156,586,825
Affiliated investment securities	(2,246)
Foreign currencies	14,746
Forward foreign currency contracts	1,044,796
Futures contracts	30,697
	157,674,818
Change in net unrealized appreciation (depreciation) of:	
Unaffiliated investment securities	52,849,868
Affiliated investment securities	(1,651)
Foreign currencies	(8,799)
Forward foreign currency contracts	49,434
Futures contracts	(1,581)
	52,887,271
Net realized and unrealized gain	210,562,089
Net increase in net assets resulting from operations	$224,055,432

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, 2021 and 2020

	2021	2020
Operations:		
Net investment income	$ 13,493,343	$ 17,914,424
Net realized gain	157,674,818	9,273,219
Change in net unrealized appreciation	52,887,271	67,118,598
Net increase in net assets resulting from operations	224,055,432	94,306,241
Distributions to shareholders from distributable earnings:		
Series I	(2,210,004)	(2,664,901)
Series II	(33,156,264)	(74,585,577)
Total distributions from distributable earnings	(35,366,268)	(77,250,478)
Share transactions–net:		
Series I	28,892,785	(8,088,300)
Series II	(121,909,012)	(27,486,339)
Net increase (decrease) in net assets resulting from share transactions	(93,016,227)	(35,574,639)
Net increase (decrease) in net assets	95,672,937	(18,518,876)
Net assets:		
Beginning of year	1,267,481,192	1,286,000,068
End of year	$1,363,154,129	$1,267,481,192

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 12/31/21	$17.93	$0.25	$ 3.09	$ 3.34	$(0.38)	$(0.20)	$(0.58)	$20.69	18.65%	$ 79,349	0.55%	0.55%	1.24%	144%
Year ended 12/31/20	17.52	0.30	1.30	1.60	(0.42)	(0.77)	(1.19)	17.93	9.95	43,099	0.56	0.57	1.84	96
Year ended 12/31/19	16.12	0.36	2.82	3.18	(0.47)	(1.31)	(1.78)	17.52	20.37	50,731	0.54	0.55	2.02	150
Year ended 12/31/18	19.04	0.35	(2.00)	(1.65)	(0.43)	(0.84)	(1.27)	16.12	(9.50)	165,924	0.54	0.55	1.91	150
Year ended 12/31/17	17.76	0.35[d]	1.58	1.93	(0.31)	(0.34)	(0.65)	19.04	11.03	184,768	0.55	0.56	1.93[d]	119
Series II														
Year ended 12/31/21	17.82	0.20	3.07	3.27	(0.34)	(0.20)	(0.54)	20.55	18.35	1,283,805	0.80	0.80	0.99	144
Year ended 12/31/20	17.42	0.26	1.28	1.54	(0.37)	(0.77)	(1.14)	17.82	9.65	1,224,382	0.81	0.82	1.59	96
Year ended 12/31/19	16.04	0.31	2.80	3.11	(0.42)	(1.31)	(1.73)	17.42	20.01	1,235,269	0.79	0.80	1.77	150
Year ended 12/31/18	18.95	0.31	(2.00)	(1.69)	(0.38)	(0.84)	(1.22)	16.04	(9.73)	1,041,911	0.79	0.80	1.66	150
Year ended 12/31/17	17.68	0.31[d]	1.57	1.88	(0.27)	(0.34)	(0.61)	18.95	10.78	1,385,490	0.80	0.81	1.68[d]	119

(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. For the year ended December 31, 2021, the portfolio turnover calculation excludes the value of securities purchased of $22,225,472 in connection with the acquisition of Invesco V.I. Managed Volatility Fund into the Fund.
(d) 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 $0.30 and 1.64% and $0.26 and 1.39% 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, 2021

NOTE 1—Significant Accounting Policies

Invesco V.I. Equity and Income 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 objectives are both capital appreciation and current income.

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 and includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable. 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. Securities Lending - The Fund may lend portfolio securities having a market value up to one-third of the Fund's total assets. Such loans are secured by collateral equal to no less than the market value of the loaned securities determined daily by the securities lending provider. Such collateral will be cash or debt securities issued or guaranteed by the U.S. Government or any of its sponsored agencies. Cash collateral received in connection with these loans is invested in short-term money market instruments or affiliated, unregistered investment companies that comply with Rule 2a-7 under the Investment Company Act and money market funds (collectively, "affiliated money market funds") and is shown as such on the Schedule of Investments. The Fund bears the risk of loss with respect to the investment of collateral. It is the Fund's policy to obtain additional collateral from or return excess collateral to the borrower by the end of the next business day, following the valuation date of the securities loaned. Therefore, the value of the collateral held may be temporarily less than the value of the securities on loan. When loaning securities, the Fund retains certain benefits of owning the securities, including the economic equivalent of dividends or interest generated by the security. Lending securities entails a risk of loss to the Fund if, and to the extent that, the market value of the securities loaned were to increase and the borrower did not increase the collateral accordingly, and the borrower failed to return the securities. The securities loaned are subject to termination at the option of the borrower or the Fund. Upon termination, the borrower will return to the Fund the securities loaned and the Fund will return the collateral. Upon the failure of the borrower to return the securities, collateral may be liquidated and the securities may be purchased on the open market to replace the loaned securities. The Fund could experience delays and costs in gaining access to the collateral and the securities may lose value during the delay which could result in potential losses to the Fund. Some of these losses may be indemnified by the lending agent. The Fund bears the risk of any deficiency in the amount of the collateral available for return to the borrower due to any loss on the collateral invested. Dividends received on cash collateral investments for securities lending transactions, which are net of compensation to counterparties, are included in *Dividends from affiliated money market funds* on the Statement of Operations. The aggregate value of securities out on loan, if any, is shown as a footnote on the Statement of Assets and Liabilities.

On September 29, 2021, the Board of Trustees appointed Invesco Advisers, Inc. (the "Adviser" or "Invesco") to serve as an affiliated securities lending agent for the Fund. Prior to September 29, 2021, the Bank of New York Mellon ("BNYM") served as the sole securities lending agent for the Fund under the securities lending program. BNYM also continues to serve as a lending agent. To the extent the Fund utilizes the Adviser as an affiliated securities lending agent, the Fund conducts its securities lending in accordance with, and in reliance upon, no-action letters issued by the SEC staff that provide guidance on how an affiliate may act as a direct agent lender and receive compensation for those services in a manner consistent with the federal securities laws. For the year ended December 31, 2021, fees paid to the Adviser were less than $500.

J. 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.

K. 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.

L. 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 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.

M. Leverage Risk – Leverage exists when the Fund can lose more than it originally invests because it purchases or sells an instrument or enters into a transaction without investing an amount equal to the full economic exposure of the instrument or transaction.

N. 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. This practice does not apply to securities pledged as collateral for securities lending transactions.

O. Other Risks - Active trading of portfolio securities may result in added expenses, a lower return and increased tax liability.

P. COVID-19 Risk - The COVID-19 strain of coronavirus has resulted in instances of market closures and dislocations, extreme volatility, liquidity constraints and increased trading costs. Efforts to contain its spread have resulted in travel restrictions, disruptions of healthcare systems, business operations and supply chains, layoffs, lower consumer demand, and defaults, among other significant economic impacts that have disrupted global economic activity across many industries. Such economic impacts may exacerbate other pre-existing political, social and economic risks locally or globally.

The ongoing effects of COVID-19 are unpredictable and may result in significant and prolonged effects on the Fund's performance.

NOTE 2—Advisory Fees and Other Fees Paid to Affiliates

The Trust has entered into a master investment advisory agreement with the Adviser. Under the terms of the investment advisory agreement, the Fund accrues daily and pays monthly an advisory fee to the Adviser based on the annual rate of the Fund's average daily net assets as follows:

Average Daily Net Assets	Rate
First $150 million	0.500%
Next $100 million	0.450%
Next $100 million	0.400%
Over $350 million	0.350%

For the year ended December 31, 2021, the effective advisory fee rate incurred by the Fund was 0.38%.

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, 2022, 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 1.50% and Series II shares to 1.75% 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, 2022. 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, 2023, 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 (excluding investments of cash collateral from securities lending) in such affiliated money market funds.

For the year ended December 31, 2021, the Adviser waived advisory fees of $13,973.

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, 2021, Invesco was paid $192,287 for accounting and fund administrative services and was reimbursed $2,023,540 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, 2021, 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, 2021, expenses incurred under the Plan are detailed in the Statement of Operations as *Distribution fees*.

For the year ended December 31, 2021, the Fund incurred $6,734 in brokerage commissions with Invesco Capital Markets, Inc., an affiliate of the Adviser and IDI, for portfolio transactions executed on behalf of the Fund.

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, 2021. 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	$847,159,999	$ 29,126,657	$–	$ 876,286,656
U.S. Dollar Denominated Bonds & Notes	–	272,660,791	–	272,660,791
U.S. Treasury Securities	–	156,909,937	–	156,909,937
Preferred Stocks	7,713,097	–	–	7,713,097
U.S. Government Sponsored Agency Mortgage-Backed Securities	–	981,001	–	981,001
Money Market Funds	47,804,086	75,349,203	–	123,153,289
Total Investments in Securities	902,677,182	535,027,589	–	1,437,704,771
Other Investments - Assets*				
Forward Foreign Currency Contracts	–	23,361	–	23,361
Other Investments - Liabilities*				
Futures Contracts	(4,570)	–	–	(4,570)
Forward Foreign Currency Contracts	–	(453,080)	–	(453,080)
	(4,570)	(453,080)	–	(457,650)
Total Other Investments	(4,570)	(429,719)	–	(434,289)
Total Investments	$902,672,612	$534,597,870	$–	$1,437,270,482

* 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, 2021:

	Value		
Derivative Assets	**Currency Risk**	**Interest Rate Risk**	**Total**
Unrealized appreciation on forward foreign currency contracts outstanding	$ 23,361	$ -	$ 23,361
Derivatives not subject to master netting agreements	-	-	-
Total Derivative Assets subject to master netting agreements	$ 23,361	$ -	$ 23,361

	Value		
Derivative Liabilities	**Currency Risk**	**Interest Rate Risk**	**Total**
Unrealized depreciation on futures contracts – Exchange-Traded[a]	$ -	$(4,570)	$ (4,570)
Unrealized depreciation on forward foreign currency contracts outstanding	(453,080)	-	(453,080)
Total Derivative Liabilities	(453,080)	(4,570)	(457,650)
Derivatives not subject to master netting agreements	-	4,570	4,570
Total Derivative Liabilities subject to master netting agreements	$(453,080)	$ -	$(453,080)

[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, 2021.

	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**
State Street Bank & Trust Co.	$23,361	$(453,080)	$(429,719)	$–	$–	$(429,719)

Effect of Derivative Investments for the year ended December 31, 2021

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	**Interest Rate Risk**	**Total**
Realized Gain:			
Forward foreign currency contracts	$1,044,796	$ -	$1,044,796
Futures contracts	-	30,697	30,697
Change in Net Unrealized Appreciation (Depreciation):			
Forward foreign currency contracts	49,434	-	49,434
Futures contracts	-	(1,581)	(1,581)
Total	$1,094,230	$29,116	$1,123,346

The table below summarizes the average notional value of derivatives held during the period.

	Forward Foreign Currency Contracts	Futures Contracts
Average notional value	$46,751,272	$1,120,109

NOTE 5—Security Transactions with Affiliated Funds

The Fund is permitted to purchase or sell securities from or to certain other Invesco Funds under specified conditions outlined in procedures adopted by the Board of Trustees of the Trust. The procedures have been designed to ensure that any purchase or sale of securities by the Fund from or to another fund or portfolio that is or could be considered 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 of the 1940 Act. Further, as defined under the procedures, each transaction is effected at the current market price. Pursuant to these procedures, for the year ended December 31, 2021, the Fund engaged in securities purchases of $1,880,377.

NOTE 6—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 7—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 8—Distributions to Shareholders and Tax Components of Net Assets

Tax Character of Distributions to Shareholders Paid During the Fiscal Years Ended December 31, 2021 and 2020:

	2021	2020
Ordinary income*	$35,366,268	$29,918,266
Long-term capital gain	–	47,332,212
Total distributions	$35,366,268	$77,250,478

* Includes short-term capital gain distributions, if any.

Tax Components of Net Assets at Period-End:

	2021
Undistributed ordinary income	$ 33,569,662
Undistributed long-term capital gain	131,814,457
Net unrealized appreciation — investments	324,694,584
Net unrealized appreciation — foreign currencies	9,258
Temporary book/tax differences	(122,233)
Shares of beneficial interest	873,188,401
Total net assets	$1,363,154,129

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, convertible securities,equity securities, amortization and accretion on debt securities.

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 does not have a capital loss carryforward as of December 31, 2021.

NOTE 9—Investment Transactions

The aggregate amount of investment securities (other than short-term securities, U.S. Government obligations and money market funds, if any) purchased and sold by the Fund during the year ended December 31, 2021 was $351,734,714 and $570,045,989, 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	$335,999,865
Aggregate unrealized (depreciation) of investments	(11,305,281)
Net unrealized appreciation of investments	$324,694,584

Cost of investments for tax purposes is $1,112,575,898.

NOTE 10—Reclassification of Permanent Differences

Primarily as a result of differing book/tax treatment of contingent payment debt instruments, grantor trusts, amortization and accretion on debt securities, on December 31, 2021, undistributed net investment income was increased by $4,351,145, undistributed net realized gain was decreased by $2,863,485 and shares of beneficial interest was decreased by $1,487,660. Further, as a result of tax deferrals acquired in the reorganization of Invesco V.I. Managed Volatility Fund into the Fund, undistributed net investment income was decreased by $108,681, undistributed net realized gain was decreased by $2,486,418 and shares of beneficial interest was increased by $2,595,099. These reclassifications had no effect on the net assets of the Fund.

NOTE 11—Share Information

	Summary of Share Activity			
	Year ended December 31, 2021[a]		Year ended December 31, 2020	
	Shares	Amount	Shares	Amount
Sold:				
Series I	500,860	$ 10,189,630	192,505	$ 3,212,832
Series II	1,860,777	37,310,495	8,497,726	137,573,138
Issued as reinvestment of dividends:				
Series I	107,752	2,210,004	166,556	2,664,901
Series II	1,626,902	33,156,264	4,685,024	74,585,577
Issued in connection with acquisitions:[b]				
Series I	1,421,249	28,595,529	-	-
Series II	55,570	1,110,840	-	-
Reacquired:				
Series I	(599,027)	(12,102,378)	(851,279)	(13,966,033)
Series II	(9,775,168)	(193,486,611)	(15,407,946)	(239,645,054)
Net increase (decrease) in share activity	(4,801,085)	$ (93,016,227)	(2,717,414)	$ (35,574,639)

(a) There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 71% 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.

(b) After the close of business on April 30, 2021, the Fund acquired all the net assets of Invesco V.I. Managed Volatility Fund (the "Target Fund") pursuant to a plan of reorganization approved by the Board of Trustees of the Fund on December 3, 2020 and by the shareholders of the Target Fund on April 5, 2021. The reorganization was executed in order to reduce overlap and increase efficiencies in the Adviser's product line. The acquisition was accomplished by a tax-free exchange of 1,476,819 shares of the Fund for 2,408,211 shares outstanding of the Target Fund as of the close of business on April 30, 2021. Shares of the Target Fund were exchanged for the like class of shares of the Fund, based on the relative net asset value of the Target Fund to the net asset value of the Fund on the close of business, April 30, 2021. The Target Fund's net assets as of the close of business on April 30, 2021 of $29,706,369, including $8,543,643 of unrealized appreciation (depreciation), were combined with those of the Fund. The net assets of the Fund immediately before the acquisition were $1,356,523,614 and $1,386,229,983 immediately after the acquisition.

The pro forma results of operations for the year ended December 31, 2021 assuming the reorganization had been completed on January 1, 2021, the beginning of the annual reporting period are as follows:

Net investment income	$ 13,487,872
Net realized/unrealized gains	212,925,767
Change in net assets resulting from operations	$226,413,639

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. Equity and Income 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. Equity and Income Fund (one of the funds constituting AIM Variable Insurance Funds (Invesco Variable Insurance Funds), referred to hereafter as the "Fund") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent and brokers. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP

Houston, Texas
February 14, 2022

We have served as the auditor of one or more of the 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, 2021 through December 31, 2021.

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 (07/01/21)	Ending Account Value (12/31/21)[1]	Expenses Paid During Period[2]	Ending Account Value (12/31/21)	Expenses Paid During Period[2]	Annualized Expense Ratio
Series I	$1,000.00	$1,047.00	$2.84	$1,022.43	$2.80	0.55%
Series II	1,000.00	1,045.60	4.12	1,021.17	4.08	0.80

[1] The actual ending account value is based on the actual total return of the Fund for the period July 1, 2021 through December 31, 2021, 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 184/365 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, 2021:

Federal and State Income Tax	
Qualified Dividend Income*	56.31%
Corporate Dividends Received Deduction*	44.70%
U.S. Treasury Obligations*	3.16%
Qualified Business Income*	0.00%
Business Interest Income*	16.93%

* 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)	186	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.

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 - 1957 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	186	Director, ISO New England, Inc. (non-profit organization managing regional electricity market) Formerly: enaible, Inc. (artificial intelligence technology)
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	186	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 President and Director of Grahamtastic Connection (non-profit)
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); Director, Artio Global Investment LLC (mutual fund complex); Director, Edgen Group, Inc. (specialized energy and infrastructure products distributor); Director, Genesee & Wyoming, Inc. (railroads); Head of Investment Funds and Private Equity, Overseas Private Investment Corporation; President, First Manhattan Bancorporation, Inc.; Attorney, Simpson Thacher & Bartlett LLP	186	Resideo Technologies, Inc. (smart home technology); Vulcan Materials Company (construction materials company); Trilinc Global Impact Fund; Textainer Group Holdings, (shipping container leasing company); Investment Company Institute (professional organization); Independent Directors Council (professional organization) Eisenhower Foundation (non-profit)
Eli Jones - 1961 Trustee	2016	Professor and Dean Emeritus, Mays Business School - Texas A&M University Formerly: Dean of Mays Business School-Texas A&M University; Professor and Dean, Walton College of Business, University of Arkansas and E.J. Ourso College of Business, Louisiana State University; Director, Arvest Bank	186	Insperity, Inc. (formerly known as Administaff) (human resources provider); First Financial Bancorp (regional bank)
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; and Trustee of certain Oppenheimer Funds	186	Trustee of the University of Florida National Board Foundation; Member of the Cartica Funds Board of Directors (private investment funds) Formerly: Member of the University of Florida Law Center Association, Inc. Board of Trustees, Audit Committee and Membership Committee
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	186	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	186	None

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)				
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; Director of Columbia Equity Financial Corp. (privately held financial advisor); and Member of the Vestry of Trinity Church Wall Street	186	Member of Board of Trust for Mutual Understanding (non-profit promoting the arts and environment); 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 Pulitzer 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; Director, Atlantic Power Corporation (power generation company) and ON Semiconductor Corporation (semiconductor manufacturing)	186	Formerly: Elucida Oncology (nanotechnology & medical particles company)
Ann Barnett Stern - 1957 Trustee	2017	President, Chief Executive Officer and Board Member, Houston Endowment, Inc. a private philanthropic institution Formerly: Executive Vice President, Texas Children's Hospital; Vice President, General Counsel and Corporate Compliance Officer, Texas Children's Hospital; Attorney at Beck, Redden and Secrest, LLP and Andrews and Kurth LLP	186	Director and Audit Committee member of Federal Reserve Bank of Dallas; Trustee and Board Chair of Good Reason Houston (nonprofit); Trustee, Vice Chair, Chair of Nomination/Governance Committee, Chair of Personnel Committee of Holdsworth Center (nonprofit); Trustee and Investment Committee member of University of Texas Law School Foundation (nonprofit); Board Member of Greater Houston Partnership
Robert C. Troccoli - 1949 Trustee	2016	Retired Formerly: Adjunct Professor, University of Denver - Daniels College of Business; and Managing Partner, KPMG LLP	186	None
Daniel S. Vandivort -1954 Trustee	2019	President, Flyway Advisory Services LLC (consulting and property management)	186	Formerly: Trustee, Board of Trustees, Treasurer and Chairman of the Audit and Finance Committee, Huntington Disease Foundation of America; Trustee and Governance Chair, of certain Oppenheimer Funds

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; 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.; 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 and Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser)	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 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.; Secretary, Sovereign G./P. Holdings Inc.; and Secretary, Invesco Indexing LLC; Secretary, W.L. Ross & Co., LLC	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) Formerly: Director, President and Chairman, Invesco Insurance Agency, Inc.; 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

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; 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; President, Trimark Investments Ltd./Placements Trimark Ltée and Director and Chairman, Invesco Trust Company Formerly: Director and Senior Vice President, Invesco Insurance Agency, Inc.; 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.; Senior Vice President, The Invesco Funds; 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.; Chairman and Director, INVESCO Realty, Inc.; and Senior Vice President, Invesco Group Services, 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; Vice President, Invesco Advisers, Inc.; 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; 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; Vice President, Invesco Advisers, Inc.; 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, 2021

Janus Henderson VIT Forty Portfolio

Janus Aspen Series

HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings

Janus Henderson INVESTORS

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, 2021, Janus Henderson VIT Forty Portfolio's Institutional Shares and Service Shares returned 22.90% and 22.60%, respectively, versus a return of 27.60% for the Portfolio's primary benchmark, the Russell 1000® Growth Index. The Portfolio's secondary benchmark, the S&P 500® Index, returned 28.71% for the period.

INVESTMENT ENVIRONMENT

The Russell 1000 Growth Index posted a positive return, ending the year with significant gains despite periods of heightened market volatility. Toward the end of the period, an upsurge in COVID-19 cases due to the fast-spreading Omicron variant threatened to slow economic growth, and markets digested the likelihood for more persistent inflation. The Federal Reserve (Fed) indicated that it would accelerate the tapering of its asset purchases, hastening the withdrawal of pandemic-related stimulus. Nonetheless, markets trended higher as investors hoped that increased vaccination rates and the imminent arrival of oral antiviral drugs could help lessen the health risks posed by the COVID virus.

PERFORMANCE DISCUSSION

The Portfolio underperformed both its primary benchmark, the Russell 1000 Growth Index, and its secondary benchmark, the S&P 500 Index, during the year ended December 31, 2021. Stock selection in the Portfolio detracted from performance relative to the primary benchmark during the period.

As part of our investment strategy, we seek companies that have built clear, sustainable, competitive moats around their businesses, which gives them the potential to grow market share within their respective industries over time. Important competitive advantages could include a strong brand, network effects from a product or service that would be hard for a competitor to replicate, a lower cost structure than competitors in the industry, a distribution advantage or patent protection over valuable intellectual property. We think emphasizing these sustainable competitive advantages can be a meaningful driver of outperformance over longer time horizons because the market often underestimates the duration of growth for these companies and the long-term potential return to shareholders.

Mastercard was among the top relative detractors, as fears that COVID variants would slow a recovery in travel and business activity hurt the company's stock. Recent innovation within the industry such as digital payments, the rise in popularity of "buy now, pay later" and the increasing acceptance of cryptocurrency have also called into question Mastercard's role in the future of payments. We believe these concerns are largely overstated, and that Mastercard's payments network remains positioned to be a key beneficiary as more transactions migrate from cash and check to credit card and electronic payments.

Cloud-based customer engagement platform Twilio was among the top relative detractors. Last year, the company saw demand for its core products grow swiftly as digital transformation efforts accelerated with the COVID-19 pandemic. However, more recently, the stock has suffered from difficult year-over-year comparisons and lower growth expectations. We think this is shortsighted, as the company continues to build an end-to-end customer-centric ecosystem that we believe has the potential for long-term growth.

Disney was also among the top detractors. The company's stock suffered during the period as it reported lower-than-expected growth in new subscribers to its Disney+ online streaming service. The surge in COVID cases as a result of the Delta and Omicron variants also hurt Disney's parks business. Longer term, we like the potential for park visits and travel to rebound strongly once the health risks of COVID subside and believe that significant new content releases in 2022 and 2023 could be a catalyst for new user growth for Disney+.

Private equity firm The Blackstone Group was among the top relative contributors. During the period, management raised its full-year guidance due to strong performance for their private equity strategies as well as continued inflows into their products. We believe there is a long runway for growth in Blackstone's fee-gathering strategies, as the company remains favorably positioned to capture capital migrating to private equities — a long-term secular trend.

Nvidia, a leading producer of graphics processing units (GPUs), was also among the top contributors, as the stock outperformed following strong results. As large cloud platform providers expand investment in computing-intensive applications such as artificial intelligence and machine learning, demand for Nvidia's GPUs continues to grow. As the company's valuation rose during the period, we reduced our position.

Semiconductor equipment manufacturer ASML Holding was also one of the top relative contributors for the period. As long-term secular demand continues to increase in the semiconductor market, leading chipmakers have announced massive capital investment plans. ASML stands to benefit as the primary provider of extreme ultraviolet (EUV) lithography equipment that is essential in the pursuit of leading-edge semiconductor technology.

OUTLOOK

The endemic phase of the COVID pandemic has been following an unforecastable path. One of the central questions in 2022 is whether we will be in a "capital E" or "lowercase e" phase of the endemic, which will depend on how manageable the virus becomes in the months ahead. The spread of COVID variants, broadening supply chain disruptions and inflationary pressures have surely dampened growth to some extent, but we believe economic activity can continue to normalize in 2022 and expect a healthy year for earnings growth. That said, when economic normalization happens, interest rate normalization is also expected to occur, continuing the tug-of-war between rates and valuations that we have witnessed throughout the year. We would expect to continue to see bouts of market volatility as we did in 2021. Digital transformation, in our opinion, will be the primary driver of longer-term economic growth, and we believe investors would be wise to focus on this as we work through the ebb and flow of the pandemic.

As the U.S. economy retrenches away from globalization, we believe we are in the early innings of sustained lower-income wage inflation. We are beginning to see the "re-industrialization" of the U.S. economy. Our expectation is this secular repricing of low-end wages will create some headwinds on margins for companies without pricing power. However, this should be offset by higher levels of general spend within the economy as consumers now have more money in their pockets. We believe that regardless of the inflationary environment, one of the most important business attributes is pricing power.

While the threat of inflation from rising wages does exist, equities with free-cash-flow yields that are higher than other asset class yields, combined with the potential for significant free-cash-flow growth, appear attractive on a relative basis. We think that owning a portfolio of companies with attractive reinvestment opportunities, trusted relationships with their customers and some degree of pricing power can remain an effective strategy, regardless of whether we are investing in an inflationary or deflationary environment.

Thank you for your investment in Janus Henderson VIT Forty Portfolio.

Janus Henderson VIT Forty Portfolio (unaudited)
Portfolio At A Glance
December 31, 2021

5 Top Contributors - Holdings

	Average Weight	Relative Contribution
Blackstone Group Inc	3.29%	1.92%
NVIDIA Corp	2.89%	0.94%
PayPal Holdings Inc	0.25%	0.89%
ASML Holding NV	2.93%	0.85%
Danaher Corp	3.20%	0.60%

5 Top Detractors - Holdings

	Average Weight	Relative Contribution
Mastercard Inc	5.36%	-1.26%
Snap Inc - Class A	3.24%	-1.09%
Twilio Inc	1.60%	-1.01%
CoStar Group Inc	1.91%	-0.89%
Walt Disney Co	1.47%	-0.83%

5 Top Contributors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Financials	1.67%	3.67%	2.17%
Health Care	0.72%	13.57%	11.21%
Materials	0.51%	2.58%	0.90%
Consumer Staples	0.21%	1.92%	4.07%
Utilities	0.00%	0.00%	0.02%

5 Top Detractors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Communication Services	-3.07%	18.38%	12.15%
Consumer Discretionary	-1.55%	15.09%	17.48%
Industrials	-1.28%	4.97%	5.32%
Information Technology	-0.68%	36.30%	44.78%
Other**	-0.38%	1.36%	0.00%

Relative contribution reflects how the portolio's holdings impacted return relative to the benchmark. Cash and securities not held in the portfolio are not shown. For equity portfolios, relative contribution compares the performance of a security in the portfolio to the benchmark's total return, factoring in the difference in weight of that security in the benchmark. Returns are calculated using daily returns and previous day ending weights rolled up by ticker, excluding fixed income securities, gross of advisory fees, may exclude certain derivatives and will differ from actual performance. Performance attribution reflects returns gross of advisory fees and may differ from actual returns as they are based on end of day holdings. Attribution is calculated by geometrically linking daily returns for the portfolio and index.

* Based on sector classification according to the Global Industry Classification Standard (“GICS”) codes, which are the exclusive property and a service mark of MSCI Inc. and Standard & Poor’s.

** Not a GICS classified sector.

Janus Henderson VIT Forty Portfolio (unaudited)
Portfolio At A Glance
December 31, 2021

5 Largest Equity Holdings - (% of Net Assets)

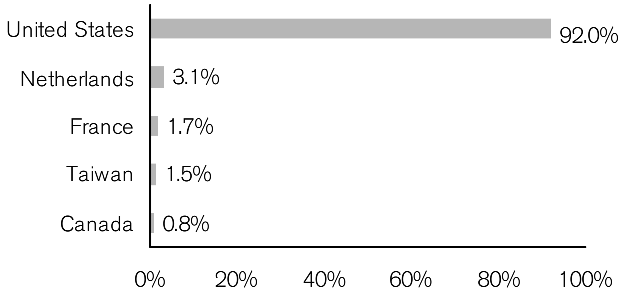
Microsoft Corp	
Software	9.8%
Amazon.com Inc	
Internet & Direct Marketing Retail	7.7%
Apple Inc	
Technology Hardware, Storage & Peripherals	6.0%
Mastercard Inc	
Information Technology Services	4.0%
Alphabet Inc - Class C	
Interactive Media & Services	3.9%
	31.4%

Asset Allocation - (% of Net Assets)

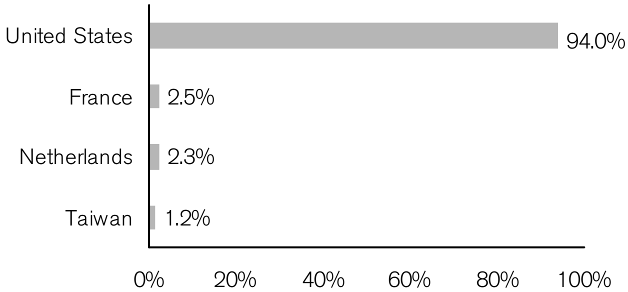
Common Stocks	98.6%
Investment Companies	1.2%
Private Investment in Public Equity (PIPES)	0.3%
Investments Purchased with Cash Collateral from Securities Lending	0.1%
Warrants	0.0%
Other	(0.2)%
	100.0%

Top Country Allocations - Long Positions - (% of Investment Securities)

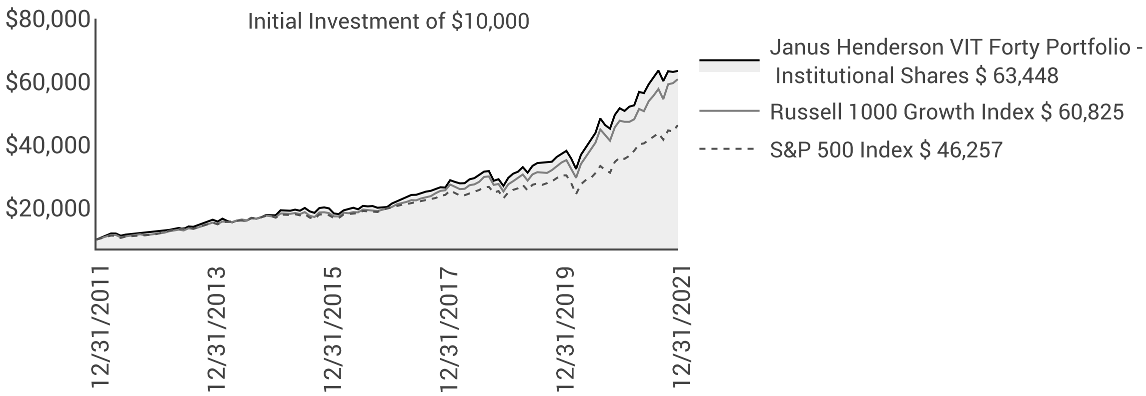
As of December 31, 2021



As of December 31, 2020



Janus Henderson VIT Forty Portfolio (unaudited)
Performance



Average Annual Total Return - for the periods ended December 31, 2021	One Year	Five Year	Ten Year	Since Inception*	Prospectus Expense Ratios: Total Annual Fund Operating Expenses‡
Institutional Shares	22.90%	25.58%	20.29%	13.45%	0.76%
Service Shares	22.60%	25.27%	20.00%	13.14%	1.01%
Russell 1000 Growth Index	27.60%	25.32%	19.79%	10.18%	
S&P 500 Index	28.71%	18.47%	16.55%	9.53%	
Morningstar Quartile - Institutional Shares	2nd	1st	1st	1st	
Morningstar Ranking - based on total returns for Large Growth Funds	527/1,244	208/1,124	99/1,022	10/508	

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit janushenderson.com/VITperformance.

This Portfolio has a performance-based management fee that may adjust up or down based on the Portfolio's performance.

Performance may be affected by risks that include those associated with foreign and emerging markets, fixed income securities, high-yield and high-risk securities, undervalued, overlooked and smaller capitalization companies, real estate related securities including Real Estate Investment Trusts (REITs), Environmental, Social and Governance (ESG) factors, non-diversification, portfolio turnover, derivatives, short sales, initial public offerings (IPOs) and potential conflicts of interest. Each product has different risks. Please see the prospectus for more information about risks, holdings and other details.

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

Returns include reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Performance for Service Shares prior to December 31, 1999 reflects the performance of Institutional Shares, adjusted to reflect the expenses of Service Shares.

Ranking is for the share class shown only; other classes may have different performance characteristics.

There is no assurance that the investment process will consistently lead to successful investing.

See Notes to Schedule of Investments and Other Information for index definitions.

See important disclosures on the next page.

Janus Henderson VIT Forty Portfolio (unaudited)
Performance

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

See “Useful Information About Your Portfolio Report.”

*The Portfolio’s inception date – May 1 ,1997

‡ As stated in the prospectus. See Financial Highlights for actual expense ratios during the reporting period.

Janus Henderson VIT Forty Portfolio (unaudited)
Expense Examples

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees; 12b-1 distribution and shareholder servicing fees (applicable to Service Shares only); transfer agent fees and expenses payable pursuant to the Transfer Agency Agreement; and other Portfolio expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The example is based upon an investment of $1,000 invested at the beginning of the period and held for the six-months indicated, unless noted otherwise in the table and footnotes below.

Actual Expenses
The information in the table under the heading “Actual” provides information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the appropriate column for your share class under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes
The information in the table under the heading “Hypothetical (5% return before expenses)” provides information about hypothetical account values and hypothetical expenses based upon the Portfolio’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Additionally, for an analysis of the fees associated with an investment in either share class or other similar funds, please visit www.finra.org/fundanalyzer.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as any charges at the separate account level or contract level. These fees are fully described in the Portfolio’s prospectuses. Therefore, the hypothetical examples are useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transaction costs were included, your costs would have been higher.

	Actual			Hypothetical (5% return before expenses)			
	Beginning Account Value (7/1/21)	Ending Account Value (12/31/21)	Expenses Paid During Period (7/1/21 - 12/31/21)†	Beginning Account Value (7/1/21)	Ending Account Value (12/31/21)	Expenses Paid During Period (7/1/21 - 12/31/21)†	Net Annualized Expense Ratio (7/1/21 - 12/31/21)
Institutional Shares	$1,000.00	$1,070.90	$4.02	$1,000.00	$1,021.32	$3.92	0.77%
Service Shares	$1,000.00	$1,069.70	$5.37	$1,000.00	$1,020.01	$5.24	1.03%

† Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). Expenses in the examples include the effect of applicable fee waivers and/or expense reimbursements, if any. Had such waivers and/or reimbursements not been in effect, your expenses would have been higher. Please refer to the Notes to Financial Statements or the Portfolio’s prospectuses for more information regarding waivers and/or reimbursements.

Janus Henderson VIT Forty Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Common Stocks– 98.6%		
Automobiles – 1.2%		
Rivian Automotive Inc - Class A*	138,476	$14,358,576
Capital Markets – 3.6%		
Blackstone Group Inc	348,064	45,036,001
Chemicals – 2.8%		
Sherwin-Williams Co	97,032	34,170,789
Entertainment – 4.5%		
Netflix Inc*	46,933	28,274,317
Walt Disney Co*	176,345	27,314,077
		55,588,394
Equity Real Estate Investment Trusts (REITs) – 2.7%		
American Tower Corp	114,263	33,421,928
Health Care Equipment & Supplies – 11.7%		
Align Technology Inc*	59,456	39,073,294
Boston Scientific Corp*	514,378	21,850,777
Danaher Corp	142,346	46,833,258
DexCom Inc*	39,662	21,296,511
Edwards Lifesciences Corp*	125,970	16,319,414
		145,373,254
Health Care Providers & Services – 1.6%		
UnitedHealth Group Inc	39,973	20,072,042
Hotels, Restaurants & Leisure – 0.9%		
Caesars Entertainment Inc*	125,382	11,726,978
Household Products – 2.1%		
Procter & Gamble Co	157,909	25,830,754
Information Technology Services – 6.8%		
Mastercard Inc	139,030	49,956,260
Shopify Inc*	7,082	9,754,676
Twilio Inc*	95,716	25,205,851
		84,916,787
Interactive Media & Services – 11.0%		
Alphabet Inc - Class C*	16,836	48,716,481
Facebook Inc*	116,967	39,341,850
Match Group Inc*	133,469	17,651,275
Snap Inc - Class A*	663,346	31,197,162
		136,906,768
Internet & Direct Marketing Retail – 10.2%		
Amazon.com Inc*	28,623	95,438,814
Booking Holdings Inc*	8,631	20,707,754
Farfetch Ltd - Class A*	243,531	8,141,241
Grab Holdings Ltd - Class A*,#	390,057	2,781,106
		127,068,915
Machinery – 2.1%		
Deere & Co	75,739	25,970,146
Metals & Mining – 0.8%		
Freeport-McMoRan Inc	247,347	10,321,790
Professional Services – 1.7%		
CoStar Group Inc*	267,500	21,140,525
Semiconductor & Semiconductor Equipment – 8.8%		
ASML Holding NV	48,751	38,812,621
NVIDIA Corp	104,824	30,829,787
Taiwan Semiconductor Manufacturing Co Ltd (ADR)	158,012	19,010,424
Texas Instruments Inc	110,751	20,873,241
		109,526,073
Software – 15.5%		
Adobe Inc*	66,783	37,869,968
Microsoft Corp	361,707	121,649,298
Unity Software Inc*	68,899	9,851,868
Workday Inc - Class A*	84,337	23,039,182
		192,410,316

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Schedule of Investments
December 31, 2021

	Shares or Principal Amounts	*Value*
Common Stocks– (continued)		
Specialty Retail – 1.5%		
TJX Cos Inc	247,543	$18,793,465
Technology Hardware, Storage & Peripherals – 6.0%		
Apple Inc	418,867	74,378,213
Textiles, Apparel & Luxury Goods – 3.1%		
LVMH Moet Hennessy Louis Vuitton SE	25,693	21,263,858
NIKE Inc - Class B	103,783	17,297,513
		38,561,371
Total Common Stocks (cost $596,094,575)		1,225,573,085
Private Investment in Public Equity (PIPES)– 0.3%		
Diversified Financial Services – 0.3%		
Altimeter Growth Corp*,§ (cost $5,715,450)	571,545	4,075,116
Warrants– 0%		
Internet & Direct Marketing Retail – 0%		
Grab Holdings Ltd, expires 12/1/26* (cost $181,685)	56,841	119,935
Investment Companies– 1.2%		
Money Markets – 1.2%		
Janus Henderson Cash Liquidity Fund LLC, 0.0570%∞,£ (cost $14,134,404)	14,132,991	14,134,404
Investments Purchased with Cash Collateral from Securities Lending– 0.1%		
Investment Companies – 0.1%		
Janus Henderson Cash Collateral Fund LLC, 0%∞,£	1,025,066	1,025,066
Time Deposits – 0%		
Royal Bank of Canada, 0.0400%, 1/3/22	$256,267	256,267
Total Investments Purchased with Cash Collateral from Securities Lending (cost $1,281,333)		1,281,333
Total Investments (total cost $617,407,447) – 100.2%		1,245,183,873
Liabilities, net of Cash, Receivables and Other Assets – (0.2)%		(2,436,915)
Net Assets – 100%		$1,242,746,958

Summary of Investments by Country - (Long Positions) (unaudited)

Country	*Value*	*% of Investment Securities*
United States	$1,145,300,012	92.0 %
Netherlands	38,812,621	3.1
France	21,263,858	1.7
Taiwan	19,010,424	1.5
Canada	9,754,676	0.8
United Kingdom	8,141,241	0.7
Singapore	2,901,041	0.2
Total	$1,245,183,873	100.0 %

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Schedule of Investments
December 31, 2021

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	Realized Gain/(Loss)	Change in Unrealized Appreciation/ Depreciation	Value at 12/31/21
Investment Companies - 1.2%				
Money Markets - 1.2%				
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[ºº]	$ 12,452	$ -	$ -	$ 14,134,404
Investments Purchased with Cash Collateral from Securities Lending - 0.1%				
Investment Companies - 0.1%				
Janus Henderson Cash Collateral Fund LLC, 0%[ºº]	139,314[Δ]	-	-	1,025,066
Total Affiliated Investments - 1.3%	$ 151,766	$ -	$ -	$ 15,159,470

	Value at 12/31/20	Purchases	Sales Proceeds	Value at 12/31/21
Investment Companies - 1.2%				
Money Markets - 1.2%				
Janus Henderson Cash Liquidity Fund LLC, 0.0570%[ºº]	22,532,880	233,268,120	(241,666,596)	14,134,404
Investments Purchased with Cash Collateral from Securities Lending - 0.1%				
Investment Companies - 0.1%				
Janus Henderson Cash Collateral Fund LLC, 0%[ºº]	-	14,973,440	(13,948,374)	1,025,066

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Notes to Schedule of Investments and Other Information

Russell 1000® Growth Index	Russell 1000® Growth Index reflects the performance of U.S. large-cap equities with higher price-to-book ratios and higher forecasted growth values.
S&P 500® Index	S&P 500® Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.
ADR	American Depositary Receipt
LLC	Limited Liability Company

*	Non-income producing security.
ºº	Rate shown is the 7-day yield as of December 31, 2021.
#	Loaned security; a portion of the security is on loan at December 31, 2021.
£	The Portfolio may invest in certain securities that are considered affiliated companies. As defined by the Investment Company Act of 1940, as amended, an affiliated company is one in which the Portfolio owns 5% or more of the outstanding voting securities, or a company which is under common ownership or control.
Δ	Net of income paid to the securities lending agent and rebates paid to the borrowing counterparties.

§ Schedule of Restricted Securities (as of December 31, 2021)

	Acquisition Date	*Cost*	*Value*	*Value as a % of Net Assets*
Altimeter Growth Corp	4/14/21	$ 5,715,450	$ 4,075,116	0.3%

The Portfolio has registration rights for certain restricted securities held as of December 31, 2021. The issuer incurs all registration costs.

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of December 31, 2021. See Notes to Financial Statements for more information.

Valuation Inputs Summary

	Level 1 - Quoted Prices	***Level 2 - Other Significant Observable Inputs***	***Level 3 - Significant Unobservable Inputs***
Assets			
Investments In Securities:			
Common Stocks	$ 1,225,573,085	$ -	$ -
Private Investment in Public Equity (PIPES)	-	4,075,116	-
Warrants	119,935	-	-
Investment Companies	-	14,134,404	-
Investments Purchased with Cash Collateral from Securities Lending	-	1,281,333	-
Total Assets	$ 1,225,693,020	$ 19,490,853	$ -

Janus Henderson VIT Forty Portfolio
Statement of Assets and Liabilities
December 31, 2021

Assets:		
Unaffiliated investments, at value (cost $602,247,977)[(1)]	$	1,230,024,403
Affiliated investments, at value (cost $15,159,470)		15,159,470
Non-interested Trustees' deferred compensation		32,437
Receivables:		
Dividends		330,157
Portfolio shares sold		31,586
Foreign tax reclaims		26,796
Dividends from affiliates		830
Other assets		12,991
Total Assets		1,245,618,670
Liabilities:		
Collateral for securities loaned (Note 2)		1,281,333
Payables:		
Advisory fees		708,585
Portfolio shares repurchased		481,561
12b-1 Distribution and shareholder servicing fees		161,815
Transfer agent fees and expenses		58,346
Professional fees		39,367
Non-interested Trustees' deferred compensation fees		32,437
Affiliated portfolio administration fees payable		2,796
Custodian fees		1,877
Non-interested Trustees' fees and expenses		438
Accrued expenses and other payables		103,157
Total Liabilities		2,871,712
Net Assets	$	1,242,746,958
Net Assets Consist of:		
Capital (par value and paid-in surplus)	$	472,196,934
Total distributable earnings (loss)		770,550,024
Total Net Assets	$	1,242,746,958
Net Assets - Institutional Shares	$	523,821,700
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		8,483,154
Net Asset Value Per Share	$	61.75
Net Assets - Service Shares	$	718,925,258
Shares Outstanding, $0.001 Par Value (unlimited shares authorized)		12,693,502
Net Asset Value Per Share	$	56.64

(1) Includes $1,251,493 of securities on loan. See Note 2 in Notes to Financial Statements.

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Statement of Operations
For the year ended December 31, 2021

Investment Income:		
Dividends	$	6,128,937
Affiliated securities lending income, net		139,314
Dividends from affiliates		12,452
Unaffiliated securities lending income, net		199
Foreign tax withheld		(132,167)
Total Investment Income		6,148,735
Expenses:		
Advisory fees		8,257,681
12b-1 Distribution and shareholder servicing fees:		
Service Shares		1,713,035
Transfer agent administrative fees and expenses:		
Institutional Shares		248,460
Service Shares		342,607
Other transfer agent fees and expenses:		
Institutional Shares		17,091
Service Shares		10,660
Professional fees		45,498
Shareholder reports expense		39,910
Affiliated portfolio administration fees		32,927
Registration fees		23,377
Non-interested Trustees' fees and expenses		18,701
Custodian fees		8,334
Other expenses		92,134
Total Expenses		10,850,415
Net Investment Income/(Loss)		(4,701,680)
Net Realized Gain/(Loss) on Investments:		
Investments and foreign currency transactions		149,827,984
Total Net Realized Gain/(Loss) on Investments		149,827,984
Change in Unrealized Net Appreciation/Depreciation:		
Investments, foreign currency translations and non-interested Trustees' deferred compensation		94,109,183
Total Change in Unrealized Net Appreciation/Depreciation		94,109,183
Net Increase/(Decrease) in Net Assets Resulting from Operations	$	239,235,487

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Statements of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Operations:		
Net investment income/(loss)	$ (4,701,680)	$ (1,577,379)
Net realized gain/(loss) on investments	149,827,984	142,555,684
Change in unrealized net appreciation/depreciation	94,109,183	177,594,441
Net Increase/(Decrease) in Net Assets Resulting from Operations	239,235,487	318,572,746
Dividends and Distributions to Shareholders:		
Institutional Shares	(57,583,957)	(28,629,140)
Service Shares	(86,533,730)	(43,209,494)
Net Decrease from Dividends and Distributions to Shareholders	(144,117,687)	(71,838,634)
Capital Share Transactions:		
Institutional Shares	17,956,305	(4,352,608)
Service Shares	33,063,766	(32,885,634)
Net Increase/(Decrease) from Capital Share Transactions	51,020,071	(37,238,242)
Net Increase/(Decrease) in Net Assets	146,137,871	209,495,870
Net Assets:		
Beginning of period	1,096,609,087	887,113,217
End of period	$ 1,242,746,958	$ 1,096,609,087

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio
Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2021	2020	2019	2018	2017
Net Asset Value, Beginning of Period	$57.00	$44.38	$35.20	$39.76	$32.19
Income/(Loss) from Investment Operations:					
Net investment income/(loss)(1)	(0.15)	(0.01)	0.09	0.07	0.02
Net realized and unrealized gain/(loss)	12.39	16.29	12.55	1.31	9.58
Total from Investment Operations	12.24	16.28	12.64	1.38	9.60
Less Dividends and Distributions:					
Dividends (from net investment income)	—	(0.14)	(0.06)	—	—
Distributions (from capital gains)	(7.49)	(3.52)	(3.40)	(5.94)	(2.03)
Total Dividends and Distributions	(7.49)	(3.66)	(3.46)	(5.94)	(2.03)
Net Asset Value, End of Period	$61.75	$57.00	$44.38	$35.20	$39.76
Total Return*	22.90%	39.40%	37.16%	1.98%	30.31%
Net Assets, End of Period (in thousands)	$523,822	$462,216	$362,001	$292,132	$309,258
Average Net Assets for the Period (in thousands)	$497,818	$389,419	$337,416	$327,962	$297,125
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.77%	0.76%	0.77%	0.71%	0.82%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.77%	0.76%	0.77%	0.71%	0.82%
Ratio of Net Investment Income/(Loss)	(0.25)%	(0.02)%	0.23%	0.17%	0.05%
Portfolio Turnover Rate	31%	41%	35%	41%	39%

Service Shares

For a share outstanding during the year ended December 31	2021	2020	2019	2018	2017
Net Asset Value, Beginning of Period	$52.96	$41.53	$33.15	$37.84	$30.79
Income/(Loss) from Investment Operations:					
Net investment income/(loss)(1)	(0.28)	(0.12)	(0.01)	(0.03)	(0.07)
Net realized and unrealized gain/(loss)	11.45	15.15	11.80	1.28	9.15
Total from Investment Operations	11.17	15.03	11.79	1.25	9.08
Less Dividends and Distributions:					
Dividends (from net investment income)	—	(0.08)	(0.01)	—	—
Distributions (from capital gains)	(7.49)	(3.52)	(3.40)	(5.94)	(2.03)
Total Dividends and Distributions	(7.49)	(3.60)	(3.41)	(5.94)	(2.03)
Net Asset Value, End of Period	$56.64	$52.96	$41.53	$33.15	$37.84
Total Return*	22.60%	39.03%	36.85%	1.72%	29.99%
Net Assets, End of Period (in thousands)	$718,925	$634,393	$525,112	$427,321	$466,969
Average Net Assets for the Period (in thousands)	$686,446	$548,645	$495,465	$487,559	$457,168
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	1.02%	1.01%	1.02%	0.96%	1.06%
Ratio of Net Expenses (After Waivers and Expense Offsets)	1.02%	1.01%	1.02%	0.96%	1.06%
Ratio of Net Investment Income/(Loss)	(0.50)%	(0.27)%	(0.02)%	(0.08)%	(0.19)%
Portfolio Turnover Rate	31%	41%	35%	41%	39%

* Total return includes adjustments in accordance with generally accepted accounting principles required at the year or period end and are not annualized for periods of less than one full year. Total return does not include fees, charges, or expenses imposed by the variable annuity and life insurance contracts for which Janus Aspen Series serves as an underlying investment vehicle.

** Annualized for periods of less than one full year.

(1) Per share amounts are calculated based on average shares outstanding during the year or period.

See Notes to Financial Statements.

1. Organization and Significant Accounting Policies

Janus Henderson VIT Forty Portfolio (the "Portfolio") is a series of Janus Aspen Series (the "Trust"), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and therefore has applied the specialized accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946. The Trust offers 10 portfolios, each of which offers multiple share classes, with differing investment objectives and policies. The Portfolio seeks long-term growth of capital. The Portfolio is classified as nondiversified, as defined in the 1940 Act. Janus Henderson Investors US LLC (formerly Janus Capital Management LLC) is the investment adviser (the "Adviser") to the Portfolio.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Each class represents an interest in the same portfolio of investments. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

Shareholders, including participating insurance companies, as well as accounts, may from time to time own (beneficially or of record) a significant percentage of the Portfolio's Shares and can be considered to "control" the Portfolio when that ownership exceeds 25% of the Portfolio's assets (and which may differ from control as determined in accordance with United States of America generally accepted accounting principles ("US GAAP")).

The following accounting policies have been followed by the Portfolio and are in conformity with US GAAP.

Investment Valuation

Securities held by the Portfolio are valued in accordance with policies and procedures established by and under the supervision of the Trustees (the "Valuation Procedures"). Equity securities traded on a domestic securities exchange are generally valued at the closing prices on the primary market or exchange on which they trade. If such price is lacking for the trading period immediately preceding the time of determination, such securities are valued at their current bid price. Equity securities that are traded on a foreign exchange are generally valued at the closing prices on such markets. In the event that there is no current trading volume on a particular security in such foreign exchange, the bid price from the primary exchange is generally used to value the security. Securities that are traded on the over-the-counter ("OTC") markets are generally valued at their closing or latest bid prices as available. Foreign securities and currencies are converted to U.S. dollars using the applicable exchange rate in effect at the close of the New York Stock Exchange ("NYSE"). The Portfolio will determine the market value of individual securities held by it by using prices provided by one or more approved professional pricing services or, as needed, by obtaining market quotations from independent broker-dealers. Most debt securities are valued in accordance with the evaluated bid price supplied by the pricing service that is intended to reflect market value. The evaluated bid price supplied by the pricing service is an evaluation that may consider factors such as security prices, yields, maturities and ratings. Certain short-term securities maturing within 60 days or less may be evaluated and valued on an amortized cost basis provided that the amortized cost determined approximates market value. Securities for which market quotations or evaluated prices are not readily available or deemed unreliable are valued at fair value determined in good faith under the Valuation Procedures. Circumstances in which fair value pricing may be utilized include, but are not limited to: (i) a significant event that may affect the securities of a single issuer, such as a merger, bankruptcy, or significant issuer-specific development; (ii) an event that may affect an entire market, such as a natural disaster or significant governmental action; (iii) a nonsignificant event such as a market closing early or not opening, or a security trading halt; and (iv) pricing of a nonvalued security and a restricted or nonpublic security. Special valuation considerations may apply with respect to "odd-lot" fixed-income transactions which, due to their small size, may receive evaluated prices by pricing services which reflect a large block trade and not what actually could be obtained for the odd-lot position. The Portfolio uses systematic fair valuation models provided by independent third parties to value international equity securities in order to adjust for stale pricing, which may occur between the close of certain foreign exchanges and the close of the NYSE.

Valuation Inputs Summary

FASB ASC 820, Fair Value Measurements and Disclosures ("ASC 820"), defines fair value, establishes a framework for measuring fair value, and expands disclosure requirements regarding fair value measurements. This standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that market participants would use in pricing an asset or liability and establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. These inputs are summarized into three broad levels:

Level 1 – Unadjusted quoted prices in active markets the Portfolio has the ability to access for identical assets or liabilities.

Level 2 – Observable inputs other than unadjusted quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Assets or liabilities categorized as Level 2 in the hierarchy generally include: debt securities fair valued in accordance with the evaluated bid or ask prices supplied by a pricing service; securities traded on OTC markets and listed securities for which no sales are reported that are fair valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees; certain short-term debt securities with maturities of 60 days or less that are fair valued at amortized cost; and equity securities of foreign issuers whose fair value is determined by using systematic fair valuation models provided by independent third parties in order to adjust for stale pricing which may occur between the close of certain foreign exchanges and the close of the NYSE. Other securities that may be categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, swaps, investments in unregistered investment companies, options, and forward contracts.

Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Portfolio's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for fair valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2021 to fair value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" in the Notes to Schedule of Investments and Other Information.

Investment Transactions and Investment Income

Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Portfolio is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Non-cash dividends, if any, are recorded on the ex-dividend date at fair value. Interest income is recorded daily on the accrual basis and includes amortization of premiums and accretion of discounts. The Portfolio classifies gains and losses on prepayments received as an adjustment to interest income. Debt securities may be placed in non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivables when collection of all or a portion of interest has become doubtful. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes.

Expenses

The Portfolio bears expenses incurred specifically on its behalf. Each class of shares bears a portion of general expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Indemnifications

In the normal course of business, the Portfolio may enter into contracts that contain provisions for indemnification of other parties against certain potential liabilities. The Portfolio's maximum exposure under these arrangements is unknown, and would involve future claims that may be made against the Portfolio that have not yet occurred. Currently, the risk of material loss from such claims is considered remote.

Foreign Currency Translations

The Portfolio does not isolate that portion of the results of operations resulting from the effect of changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held at the date of the financial statements. Net unrealized appreciation or depreciation of investments and foreign currency translations arise from changes in the value of assets and liabilities, including investments in securities held at the date of the financial statements, resulting from changes in the exchange rates and changes in market prices of securities held.

Currency gains and losses are also calculated on payables and receivables that are denominated in foreign currencies. The payables and receivables are generally related to foreign security transactions and income translations.

Foreign currency-denominated assets and forward currency contracts may involve more risks than domestic transactions, including currency risk, counterparty risk, political and economic risk, regulatory risk and equity risk. Risks may arise from unanticipated movements in the value of foreign currencies relative to the U.S. dollar.

Dividends and Distributions

The Portfolio may make semiannual distributions of substantially all of its investment income and an annual distribution of its net realized capital gains (if any).

The Portfolio may make certain investments in real estate investment trusts ("REITs") which pay dividends to their shareholders based upon funds available from operations. It is quite common for these dividends to exceed the REITs' taxable earnings and profits, resulting in the excess portion of such dividends being designated as a return of capital. If the Portfolio distributes such amounts, such distributions could constitute a return of capital to shareholders for federal income tax purposes.

Federal Income Taxes

The Portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income in accordance with the requirements of Subchapter M of the Internal Revenue Code. Management has analyzed the Portfolio's tax positions taken for all open federal income tax years, generally a three-year period, and has concluded that no provision for federal income tax is required in the Portfolio's financial statements. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

2. Other Investments and Strategies

Additional Investment Risk

In response to the COVID-19 pandemic, the U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets, including reducing interest rates to record-low levels. Extremely low or negative interest rates may become more prevalent or may not work as intended. As there is little precedent for this situation, the impact on various markets that interest rate or other significant policy changes may have is unknown. The withdrawal of this support, a failure of measures put in place in response to such economic uncertainty, or investor perception that such efforts were not sufficient could each negatively affect financial markets generally, and the value and liquidity of specific securities. In addition, policy and legislative changes in the United States and in other countries continue to impact many aspects of financial regulation.

Widespread disease, including pandemics and epidemics, and natural or environmental disasters, including those which may be attributable to global climate change, such as earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Portfolio's investments. Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries, including the United

States. These disruptions could prevent a Portfolio from executing advantageous investment decisions in a timely manner and negatively impact a Portfolio's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Portfolio. In addition, these disruptions could also impair the information technology and other operational systems upon which the Portfolio's service providers, including the Adviser or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Portfolio's service providers to perform essential tasks on behalf of the Portfolio. Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance and reinsurance companies that insure or reinsure against the impact of natural disasters.

A number of countries in the European Union (the "EU") have experienced, and may continue to experience, severe economic and financial difficulties. In particular, many EU nations are susceptible to economic risks associated with high levels of debt. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts. Many other issuers have faced difficulties obtaining credit or refinancing existing obligations. Financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit. As a result, financial markets in the EU have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen, or spread further within the EU. Responses to these financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest, and may limit future growth and economic recovery or have other unintended consequences. Among other things, these developments have adversely affected the value and exchange rate of the euro and pound sterling, and may continue to significantly affect the economies of all EU countries, which in turn may have a material adverse effect on the Portfolio's investments in such countries, other countries that depend on EU countries for significant amounts of trade or investment, or issuers with exposure to debt issued by certain EU countries.

Counterparties

Portfolio transactions involving a counterparty are subject to the risk that the counterparty or a third party will not fulfill its obligation to the Portfolio ("counterparty risk"). Counterparty risk may arise because of the counterparty's financial condition (i.e., financial difficulties, bankruptcy, or insolvency), market activities and developments, or other reasons, whether foreseen or not. A counterparty's inability to fulfill its obligation may result in significant financial loss to the Portfolio. The Portfolio may be unable to recover its investment from the counterparty or may obtain a limited recovery, and/or recovery may be delayed. The extent of the Portfolio's exposure to counterparty risk with respect to financial assets and liabilities approximates its carrying value.

The Portfolio may be exposed to counterparty risk through participation in various programs, including, but not limited to, lending its securities to third parties, cash sweep arrangements whereby the Portfolio's cash balance is invested in one or more types of cash management vehicles, as well as investments in, but not limited to, repurchase agreements, debt securities, and derivatives, including various types of swaps, futures and options. The Portfolio intends to enter into financial transactions with counterparties that the Adviser believes to be creditworthy at the time of the transaction. There is always the risk that the Adviser's analysis of a counterparty's creditworthiness is incorrect or may change due to market conditions. To the extent that the Portfolio focuses its transactions with a limited number of counterparties, it will have greater exposure to the risks associated with one or more counterparties.

Offsetting Assets and Liabilities

The Portfolio presents gross and net information about transactions that are either offset in the financial statements or subject to an enforceable master netting arrangement or similar agreement with a designated counterparty, regardless of whether the transactions are actually offset in the Statement of Assets and Liabilities.

The following table presents gross amounts of recognized assets and/or liabilities and the net amounts after deducting collateral that has been pledged by counterparties or has been pledged to counterparties (if applicable). For corresponding information grouped by type of instrument, see the Portfolio's Schedule of Investments.

Offsetting of Financial Assets and Derivative Assets

Counterparty	*Gross Amounts of Recognized Assets*	*Offsetting Asset or Liability*[(a)]	*Collateral Pledged*[(b)]	*Net Amount*
JPMorgan Chase Bank, National Association	$ 1,251,493	$ —	$ (1,251,493)	$ —

(a) Represents the amount of assets or liabilities that could be offset with the same counterparty under master netting or similar agreements that management elects not to offset on the Statement of Assets and Liabilities.

(b) Collateral pledged is limited to the net outstanding amount due to/from an individual counterparty. The actual collateral amounts pledged may exceed these amounts and may fluctuate in value.

JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. For financial reporting purposes, the Portfolio does not offset financial instruments' payables and receivables and related collateral on the Statement of Assets and Liabilities. Securities on loan will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the Securities and Exchange Commission (the "SEC"). See "Securities Lending" in the "Notes to Financial Statements" for additional information.

Real Estate Investing

The Portfolio may invest in equity and debt securities of real estate-related companies. Such companies may include those in the real estate industry or real estate-related industries. These securities may include common stocks, corporate bonds, preferred stocks, and other equity securities, including, but not limited to, mortgage-backed securities, real estate-backed securities, securities of REITs and similar REIT-like entities. A REIT is a trust that invests in real estate-related projects, such as properties, mortgage loans, and construction loans. REITs are generally categorized as equity, mortgage, or hybrid REITs. A REIT may be listed on an exchange or traded OTC.

Restricted Security Transactions

Restricted securities held by the Portfolio may not be sold except in exempt transactions or in a public offering registered under the Securities Act of 1933, as amended. The risk of investing in such securities is generally greater than the risk of investing in the securities of widely held, publicly traded companies. Lack of a secondary market and resale restrictions may result in the inability of the Portfolio to sell a security at a fair price and may substantially delay the sale of the security. In addition, these securities may exhibit greater price volatility than securities for which secondary markets exist.

Private Investment in Public Equity

Private investments in public equity ("PIPEs") are equity securities privately purchased from public companies (including special purpose acquisition companies) at a specified price. PIPEs generally are not registered with the SEC until after a certain time period from the date the private sale is completed. Until the public registration process is completed, PIPEs are restricted as to resale and the Portfolio cannot freely trade the securities. Generally, such restrictions cause the PIPEs to be illiquid during this time. PIPEs may contain provisions that the issuer will pay specified financial penalties to the holder if the issuer does not publicly register the restricted equity securities within a specified period of time, but there is no assurance that the restricted equity securities will be publicly registered, or that the registration will remain in effect. To the extent that they increase the supply of a company's stock in the market, PIPEs can potentially dilute the value of existing shares.

Securities Lending

Under procedures adopted by the Trustees, the Portfolio may seek to earn additional income by lending securities to certain qualified broker-dealers and institutions. JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. The Portfolio may lend portfolio securities in an amount equal to up to 1/3 of its total assets as determined at the time of the loan origination. There is the risk of delay in recovering a loaned security or the risk of loss in collateral rights if the borrower fails financially. In addition, the Adviser makes efforts to balance the benefits and risks from granting such loans. All loans will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the SEC. If the Portfolio is unable to recover a security on loan, the Portfolio may use the collateral to purchase replacement securities in the market. There is a risk that the value of the collateral could decrease below the cost of the replacement security by the time the replacement investment is made, resulting in a loss to the Portfolio. In certain circumstances individual loan transactions could yield negative returns.

Upon receipt of cash collateral, the Adviser may invest it in affiliated or non-affiliated cash management vehicles, whether registered or unregistered entities, as permitted by the 1940 Act and rules promulgated thereunder. The Adviser currently intends to primarily invest the cash collateral in a cash management vehicle for which the Adviser serves as investment adviser, Janus Henderson Cash Collateral Fund LLC, or in time deposits. An investment in Janus Henderson Cash Collateral Fund LLC is generally subject to the same risks that shareholders experience when investing in similarly structured vehicles, such as the potential for significant fluctuations in assets as a result of the purchase and redemption activity of the securities lending program, a decline in the value of the collateral, and possible liquidity issues. Such risks may delay the return of the cash collateral and cause the Portfolio to violate its agreement to return the cash collateral to a borrower in a timely manner. As adviser to the Portfolio and Janus Henderson Cash Collateral Fund LLC, the Adviser has an inherent conflict of interest as a result of its fiduciary duties to both the Portfolio and Janus Henderson Cash Collateral Fund LLC. Additionally, the Adviser receives an investment advisory fee of 0.05% for managing Janus Henderson Cash Collateral Fund LLC, but it may not receive a fee for managing certain other affiliated cash management vehicles in which the Portfolio may invest, and therefore may have an incentive to allocate preferred investment opportunities to investment vehicles for which it is receiving a fee.

The value of the collateral must be at least 102% of the market value of the loaned securities that are denominated in U.S. dollars and 105% of the market value of the loaned securities that are not denominated in U.S. dollars. Loaned securities and related collateral are marked-to-market each business day based upon the market value of the loaned securities at the close of business, employing the most recent available pricing information. Collateral levels are then adjusted based on this mark-to-market evaluation. Additional required collateral, or excess collateral returned, is delivered on the next business day. Therefore, the value of the collateral held may be temporarily less than 102% or 105% value of the securities on loan. The cash collateral invested by the Adviser is disclosed in the Schedule of Investments (if applicable).

Income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to the lending agent are included as “Affiliated securities lending income, net” on the Statement of Operations. As of December 31, 2021, securities lending transactions accounted for as secured borrowings with an overnight and continuous contractual maturity are $1,251,493. Gross amounts of recognized liabilities for securities lending (collateral received) as of December 31, 2021 is $1,281,333, resulting in the net amount due to the counterparty of $29,840.

3. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays the Adviser an investment advisory fee rate that may adjust up or down based on the Portfolio’s performance relative to its benchmark index.

The investment advisory fee rate paid to the Adviser by the Portfolio consists of two components: (1) a base fee calculated by applying the contractual fixed rate of the advisory fee to the Portfolio’s average daily net assets during the previous month (the “Base Fee Rate”), plus or minus (2) a performance-fee adjustment (the “Performance Adjustment”) calculated by applying a variable rate of up to 0.15% (positive or negative) to the Portfolio’s average daily net assets based on the Portfolio’s relative performance compared to the cumulative investment record of its benchmark index over a 36-month performance measurement period or shorter time period, as applicable. The investment advisory fee rate is calculated daily and paid monthly.

The investment performance of the Portfolio’s Service Shares for the performance measurement period is used to calculate the Performance Adjustment. The Portfolio’s Base Fee Rate prior to any performance adjustment (expressed as an annual rate) is 0.64%, and the Portfolio’s benchmark index used in the calculation is the Russell 1000® Growth Index.

No Performance Adjustment is applied unless the difference between the Portfolio's investment performance and the cumulative investment record of the Portfolio's benchmark index is 0.50% or greater (positive or negative) during the applicable performance measurement period. The Base Fee Rate is subject to an upward or downward Performance Adjustment for every full 0.50% increment by which the Portfolio outperforms or underperforms its benchmark index, up to the Portfolio's full performance rate of ±8.50%. Because the Performance Adjustment is tied to a Portfolio's relative performance compared to its benchmark index (and not its absolute performance), the Performance Adjustment could increase the Adviser's fee even if the Portfolio's Shares lose value during the performance measurement period and could decrease the Adviser's fee even if the Portfolio's Shares increase in value during the performance measurement period. For purposes of computing the Base Fee Rate and the Performance Adjustment, net assets are averaged over different periods (average daily net assets during the previous month for the Base Fee Rate, versus average daily net assets during the performance measurement period for the Performance Adjustment). Performance of the Portfolio is calculated net of expenses whereas the Portfolio's benchmark index does not have any fees or expenses. Reinvestment of dividends and distributions is included in calculating both the performance of a Portfolio and the Portfolio's benchmark index.

The Portfolio's prospectuses and statement(s) of additional information contain additional information about performance-based fees. The amount shown as advisory fees on the Statement of Operations reflects the Base Fee Rate plus/minus any Performance Adjustment. For the year ended December 31, 2021, the performance adjusted investment advisory fee rate before any waivers and/or reimbursements of expenses is 0.70%.

Janus Henderson Services US LLC (formerly Janus Services LLC) (the "Transfer Agent"), a wholly-owned subsidiary of the Adviser, is the Portfolio's transfer agent. The Transfer Agent receives an administrative services fee at an annual rate of 0.05% of the average daily net assets of the Portfolio for arranging for the provision by participating insurance companies and qualified plan service providers of administrative services, including recordkeeping, subaccounting, order processing, or other shareholder services provided on behalf of contract holders or plan participants investing in the Portfolio. Other shareholder services may include the provision of order confirmations, periodic account statements, forwarding prospectuses, shareholder reports, and other materials to existing investors, and answering inquiries regarding accounts. The Transfer Agent expects to use this entire fee to compensate insurance companies and qualified plan service providers for providing these services to their customers who invest in the Portfolio. Any unused portion will be reimbursed to the applicable share class at least annually.

In addition, the Transfer Agent provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. The Transfer Agent is not compensated for these internal services related to the shares, except for out-of-pocket costs. These amounts are disclosed as "Other transfer agent fees and expenses" on the Statement of Operations.

Under a distribution and shareholder servicing plan (the "Plan") adopted in accordance with Rule 12b-1 under the 1940 Act, the Service Shares may pay the Trust's distributor, Janus Henderson Distributors US LLC (formerly Janus Distributors LLC) (the "Distributor"), a wholly-owned subsidiary of the Adviser, a fee for the sale and distribution and/or shareholder servicing of the Service Shares at an annual rate of up to 0.25% of the average daily net assets of the Service Shares. Under the terms of the Plan, the Trust is authorized to make payments to the Distributor for remittance to insurance companies and qualified plan service providers as compensation for distribution and/or shareholder services performed by such entities. These amounts are disclosed as "12b-1 Distribution and shareholder servicing fees" on the Statement of Operations. Payments under the Plan are not tied exclusively to actual 12b-1 distribution and servicing fees, and the payments may exceed 12b-1 distribution and servicing fees actually incurred. If any of the Portfolio's actual 12b-1 distribution and servicing fees incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in "12b-1 Distribution and shareholder servicing fees" in the Statement of Operations.

The Adviser serves as administrator to the Portfolio pursuant to an administration agreement between the Adviser and the Trust. Under the administration agreement, the Adviser is obligated to provide or arrange for the provision of certain administration, compliance, and accounting services to the Portfolio, including providing office space for the Portfolio, and is reimbursed by the Portfolio for certain of its costs in providing these services (to the extent the Adviser seeks reimbursement and such costs are not otherwise waived). In addition, employees of the Adviser and/or its affiliates may serve as officers of the Trust. The Portfolio pays for some or all of the salaries, fees, and expenses of the Adviser employees and Portfolio officers, with respect to certain specified administration functions they perform on behalf of the Portfolio. The Portfolio pays these costs based on out-of-pocket expenses incurred by the Adviser, and these costs are separate and apart from advisory fees and other expenses paid in connection with the investment advisory services the Adviser (or any subadvisor, as applicable) provides to the Portfolio. These amounts are disclosed as “Affiliated portfolio administration fees” on the Statement of Operations. In addition, some expenses related to compensation payable to the Portfolio’s Chief Compliance Officer and certain compliance staff, all of whom are employees of the Adviser and/or its affiliates, are shared with the Portfolio. Total compensation of $32,683 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2021. The Portfolio's portion is reported as part of “Other expenses” on the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the “Deferred Plan”) for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus Henderson funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/(depreciation) and is included as of December 31, 2021 on the Statement of Assets and Liabilities in the asset, “Non-interested Trustees’ deferred compensation,” and liability, “Non-interested Trustees’ deferred compensation fees.” Additionally, the recorded unrealized appreciation/(depreciation) is included in “Total distributable earnings (loss)” on the Statement of Assets and Liabilities. Deferred compensation expenses for the year ended December 31, 2021 are included in “Non-interested Trustees’ fees and expenses” on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan. Deferred fees of $512,700 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2021.

Pursuant to the provisions of the 1940 Act and related rules, the Portfolio may participate in an affiliated or non-affiliated cash sweep program. In the cash sweep program, uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or non-affiliated money market funds or cash management pooled investment vehicles that operate as money market funds. The Portfolio is eligible to participate in the cash sweep program (the “Investing Funds”). As adviser, the Adviser has an inherent conflict of interest because of its fiduciary duties to the affiliated money market funds or cash management pooled investment vehicles and the Investing Funds. Janus Henderson Cash Liquidity Fund LLC (the “Sweep Vehicle”) is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. The Sweep Vehicle operates pursuant to the provisions of the 1940 Act that govern the operation of money market funds and prices its shares at NAV reflecting market-based values of its portfolio securities (i.e., a “floating” NAV) rounded to the fourth decimal place (e.g., $1.0000). The Sweep Vehicle is permitted to impose a liquidity fee (of up to 2%) on redemptions from the Sweep Vehicle or a redemption gate that temporarily suspends redemptions from the Sweep Vehicle for up to 10 business days during a 90 day period. There are no restrictions on the Portfolio's ability to withdraw investments from the Sweep Vehicle at will, and there are no unfunded capital commitments due from the Portfolio to the Sweep Vehicle. The Sweep Vehicle does not charge any management fee, sales charge or service fee.

Any purchases and sales, realized gains/losses and recorded dividends from affiliated investments during the year ended December 31, 2021 can be found in the “Schedules of Affiliated Investments” located in the Schedule of Investments.

4. Federal Income Tax

The tax components of capital shown in the table below represent: (1) distribution requirements the Portfolio must satisfy under the income tax regulations; (2) losses or deductions the Portfolio may be able to offset against income and gains realized in future years; and (3) unrealized appreciation or depreciation of investments for federal income tax purposes.

Other book to tax differences primarily consist of deferred compensation. The Portfolio has elected to treat gains and losses on forward foreign currency contracts as capital gains and losses, if applicable. Other foreign currency gains and losses on debt instruments are treated as ordinary income for federal income tax purposes pursuant to Section 988 of the Internal Revenue Code.

			Loss Deferrals		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)*
$ -	$ 145,004,112	$ -	$ -	$ -	$ (30,813)	$625,576,725

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of December 31, 2021 are noted below. The primary differences between book and tax appreciation or depreciation of investments are wash sale loss deferrals and investments in partnerships.

Federal Tax Cost	*Unrealized Appreciation*	*Unrealized (Depreciation)*	*Net Tax Appreciation/ (Depreciation)*
$ 619,607,148	$ 637,934,920	$ (12,358,195)	$ 625,576,725

Income and capital gains distributions are determined in accordance with income tax regulations that may differ from US GAAP. These differences are due to differing treatments for items such as net short-term gains, deferral of wash sale losses, foreign currency transactions, and capital loss carryovers. Certain permanent differences such as tax returns of capital and net investment losses noted below have been reclassified to capital.

For the year ended December 31, 2021

	Distributions		
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 6,110,328	$ 138,007,359	$ -	$ 808,966

For the year ended December 31, 2020

	Distributions		
From Ordinary Income	*From Long-Term Capital Gains*	*Tax Return of Capital*	*Net Investment Loss*
$ 6,253,584	$ 65,585,050	$ -	$ -

Permanent book to tax basis differences may result in reclassifications between the components of net assets. These differences have no impact on the results of operations or net assets. The following reclassifications have been made to the Portfolio:

Increase/(Decrease) to Capital	*Increase/(Decrease) to Undistributed Net Investment Income/Loss*	*Increase/(Decrease) to Undistributed Net Realized Gain/Loss*
$ (808,966)	$ 5,355,929	$ (4,546,963)

5. Capital Share Transactions

	Year ended December 31, 2021		*Year ended December 31, 2020*	
	Shares	*Amount*	*Shares*	*Amount*
Institutional Shares:				
Shares sold	616,212	$ 36,999,487	1,037,980	$ 48,778,741
Reinvested dividends and distributions	1,032,896	57,583,957	667,502	28,629,140
Shares repurchased	(1,275,262)	(76,627,139)	(1,752,621)	(81,760,489)
Net Increase/(Decrease)	373,846	$ 17,956,305	(47,139)	$ (4,352,608)
Service Shares:				
Shares sold	1,062,017	$ 58,666,038	1,055,239	$ 47,177,425
Reinvested dividends and distributions	1,689,782	86,533,730	1,082,945	43,209,494
Shares repurchased	(2,037,017)	(112,136,002)	(2,804,441)	(123,272,553)
Net Increase/(Decrease)	714,782	$ 33,063,766	(666,257)	$(32,885,634)

6. Purchases and Sales of Investment Securities

For the year ended December 31, 2021, the aggregate cost of purchases and proceeds from sales of investment securities (excluding any short-term securities, short-term options contracts, TBAs, and in-kind transactions, as applicable) was as follows:

Purchases of Securities	*Proceeds from Sales of Securities*	*Purchases of Long-Term U.S. Government Obligations*	*Proceeds from Sales of Long-Term U.S. Government Obligations*
$360,978,807	$ 444,925,618	$ -	$ -

7. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2021 and through the date of issuance of the Portfolio's financial statements and determined that there were no material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

Janus Henderson VIT Forty Portfolio
Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Janus Aspen Series and Shareholders of Janus Henderson VIT Forty Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Janus Henderson VIT Forty Portfolio (one of the portfolios constituting Janus Aspen Series, referred to hereafter as the "Portfolio") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statements of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent, and investee company. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

Denver, Colorado
February 15, 2022

We have served as the auditor of one or more investment companies in Janus Henderson Funds since 1990.

Proxy Voting Policies and Voting Record

A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-1093; (ii) on the Portfolio's website at janushenderson.com/proxyvoting; and (iii) on the SEC's website at http://www.sec.gov. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through janushenderson.com/proxyvoting and from the SEC's website at http://www.sec.gov.

Full Holdings

The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC as an exhibit to Form N-PORT within 60 days of the end of the first and third fiscal quarters, and in the annual report and semiannual report to shareholders. The Portfolio's Form N-PORT filings and annual and semiannual reports: (i) are available on the SEC's website at http://www.sec.gov; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) are available without charge, upon request, by calling a Janus Henderson representative at 1-877-335-2687 (toll free). Portfolio holdings consisting of at least the names of the holdings are generally available on a monthly basis with a 30-day lag under Full Holdings for the Portfolio at janushenderson.com/vit.

APPROVAL OF ADVISORY AGREEMENTS DURING THE PERIOD

The Trustees of Janus Aspen Series, each of whom serves as an "independent" Trustee (the "Trustees"), oversee the management of each portfolio of Janus Aspen Series (each, a "VIT Portfolio," and collectively, the "VIT Portfolios"), as well as each fund of Janus Investment Fund (each, a "Fund," and collectively, the "Funds" and together with the VIT Portfolios, the "Janus Henderson Funds," and each, a "Janus Henderson Fund"). As required by law, the Trustees determine annually whether to continue the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreement for each Janus Henderson Fund that utilizes a subadviser.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received and reviewed information provided by Janus Henderson Investors US LLC (formerly, Janus Capital Management LLC) (the "Adviser") and the subadviser in response to requests of the Trustees and their independent legal counsel. They also received and reviewed information and analysis provided by, and in response to requests of, their independent fee consultant. Throughout their consideration of the agreements, the Trustees were advised by their independent legal counsel. The Trustees met with management to consider the agreements, and also met separately in executive session with their independent legal counsel and their independent fee consultant.

At meetings held on November 3-4, 2021 and December 7-8, 2021, the Trustees' evaluated the information provided by the Adviser, the subadviser, and the independent fee consultant, as well as other information addressed during the year. Following such evaluation, the Trustees determined that the overall arrangements between each Janus Henderson Fund and the Adviser and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by the Adviser, its affiliates and the subadviser, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment and unanimously approved the continuation of the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreement for each subadvised Janus Henderson Fund, for the period from February 1, 2022 through February 1, 2023, subject to earlier termination as provided for in each agreement.

In considering the continuation of those agreements, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Trustees' determination to approve the continuation of the agreements are discussed separately below. Also included is a summary of the independent fee consultant's conclusions and opinions that arose during, and were included as part of, the Trustees' consideration of the agreements. "Management fees," as used herein, reflect actual annual advisory fees and, for the purpose of peer comparisons any administration fees (excluding out of pocket costs), net of any waivers, paid by a fund as a percentage of average net assets.

Nature, Extent and Quality of Services

The Trustees reviewed the nature, extent and quality of the services provided by the Adviser and the subadviser to the Janus Henderson Funds, taking into account the investment objective, strategies and policies of each Janus Henderson Fund, and the knowledge the Trustees gained from their regular meetings with management on at least a quarterly basis and their ongoing review of information related to the Janus Henderson Funds. In addition, the Trustees reviewed the resources and key personnel of the Adviser and the subadviser, particularly noting those employees who provide investment and risk management services to the Janus Henderson Funds. The Trustees also considered other services provided to the Janus Henderson Funds by the Adviser or the subadviser, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered the Adviser's role as administrator to the Janus Henderson Funds, noting that the Adviser generally does not receive a fee for its services as administrator, but is reimbursed for its out-of-pocket costs. The Trustees considered the role of the Adviser in monitoring adherence to the Janus Henderson Funds' investment restrictions, providing support services for the Trustees and Trustee committees, and overseeing communications with shareholders and the activities of other service providers, including monitoring compliance with various policies and procedures of the Janus Henderson Funds and with applicable securities laws and regulations.

In this regard, the independent fee consultant noted that the Adviser provides a number of different services for the Janus Henderson Funds and fund shareholders, ranging from investment management services to various other servicing functions, and that, in its view, the Adviser is a capable provider of those services. The independent fee consultant also provided its belief that the Adviser has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance over the long term.

The Trustees concluded that the nature, extent and quality of the services provided by the Adviser and the subadviser to each Janus Henderson Fund were appropriate and consistent with the terms of the respective advisory and subadvisory agreements, and that, taking into account steps taken to address those Janus Henderson Funds whose performance lagged that of their peers for certain periods, the Janus Henderson Funds were likely to benefit from the continued provision of those services. They also concluded that the Adviser and the subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and each had demonstrated its ability to attract well-qualified personnel.

Performance of the Funds

The Trustees considered the performance results of each Janus Henderson Fund over various time periods. They noted that they considered Janus Henderson Fund performance data throughout the year, including periodic meetings with each Janus Henderson Fund's portfolio manager(s), and also reviewed information comparing each Janus Henderson Fund's performance with the performance of comparable funds and peer groups identified by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent data provider, and with the Janus Henderson Fund's benchmark index. In this regard, the independent fee consultant found that the overall Janus Henderson Funds' performance has been reasonable: for the 36 months ended September 30, 2021, approximately 55% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2021, approximately 45% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers.

The Trustees considered the performance of each Janus Henderson Fund, noting that performance may vary by share class, and noted the following with respect to the VIT Portfolios:

- For Janus Henderson Balanced Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2021 and the second Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2021 and the first Broadridge quartile for the 12 months ended May 31, 2021.

- For Janus Henderson Global Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the second Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the bottom Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2021 and the first Broadridge quartile for the 12 months ended May 31, 2021.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2021 and the third Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps the Adviser had taken or was taking to improve performance.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2021 and the bottom Broadridge quartile for the 12 months ended May 31, 2021. The Trustees noted the reasons for the Fund's underperformance and the steps the Adviser and subadviser had taken or were taking to improve performance.

In consideration of each Janus Henderson Fund's performance, the Trustees concluded that, taking into account the factors relevant to performance, as well as other considerations, including steps taken to improve performance, the Janus Henderson Fund's performance warranted continuation of such Janus Henderson Fund's investment advisory and subadvisory agreement(s).

Costs of Services Provided

The Trustees examined information regarding the fees and expenses of each Janus Henderson Fund in comparison to similar information for other comparable funds as provided by Broadridge, an independent data provider. They also reviewed an analysis of that information provided by their independent fee consultant and noted that the rate of management fees (investment advisory fees and any administration fees but excluding out-of-pocket costs) for many of the Janus Henderson Funds, after applicable waivers, was below the average management fee rate of the respective peer group of funds selected by an independent data provider. The Trustees also examined information regarding the subadvisory fees charged for subadvisory services, as applicable, noting that all such fees were paid by the Adviser out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by the Adviser to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by the Adviser. The independent fee consultant found: (1) the total expenses and management fees of the Janus Henderson Funds to be reasonable relative to other comparable mutual funds; (2) the total expenses, on average, were 8% under the average total expenses of the respective Broadridge Expense Group peers; and (3) and the management fees for the Janus Henderson Funds, on average, were 6% under the average management fees for the respective Broadridge Expense Group. The Trustees also considered the total expenses for each share class of each Janus Henderson Fund compared to the average total expenses for its Broadridge Expense Group and to average total expenses for its Broadridge Expense Universe.

For certain Janus Henderson Funds, the independent fee consultant also performed a systematic "focus list" analysis of expenses which assessed fund fees in the context of fund performance being delivered. Based on this analysis, the independent fee consultant found that the combination of service quality/performance and expenses on these individual Janus Henderson Funds was reasonable in light of performance trends, performance histories, and existence of performance fees, breakpoints, and/or expense waivers on such Janus Henderson Funds.

The Trustees considered the methodology used by the Adviser and subadviser in determining compensation payable to portfolio managers, the competitive environment for investment management talent, and the competitive market for mutual funds in different distribution channels.

The Trustees also reviewed management fees charged by the Adviser and subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by the Adviser or subadviser (for which the Adviser or the subadviser provides only or primarily portfolio management services). Although in most instances subadvisory and separate account fee rates for various investment strategies were lower than management fee rates for Janus Henderson Funds having a similar strategy, the Trustees considered that the Adviser noted that, under the terms of the management agreements with the Janus Henderson Funds, the Adviser performs significant additional services for the Janus Henderson Funds that it does not provide to those other clients, including administration services, oversight of the Janus Henderson Funds' other service providers, trustee support, regulatory compliance and numerous other services, and that, in serving the Janus Henderson Funds, the Adviser assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, the Trustees noted that the independent fee consultant found that: (1) the management fees the Adviser charges to the Janus Henderson Funds are reasonable in relation to the management fees the Adviser charges to funds subadvised by the Adviser and to the fees the Adviser charges to its institutional separate account clients; (2) these subadvised and institutional separate accounts have different service and infrastructure needs and operate in markets very distinct relative to retail funds; (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; and (4) as part of its 2020 review, 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by the Adviser.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2020, including the VIT Portfolios, and noted the following with regard to each VIT Portfolio's total expenses, net of applicable fee waivers (the VIT Portfolio's "total expenses"):

- For Janus Henderson Balanced Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that the Adviser has contractually agreed to limit the Fund's expenses.
- For Janus Henderson Forty Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Research Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that the Adviser has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.
- For Janus Henderson Overseas Portfolio, the Trustees noted that although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's total expenses were below the peer group average for both share classes.

- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for its sole share class.

The Trustees reviewed information on the overall profitability to the Adviser and its affiliates from their relationships with the Janus Henderson Funds, and considered profitability data of other publicly traded mutual fund advisers. The Trustees recognized that profitability comparisons among fund managers are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund manager is affected by numerous factors, including the organizational structure of the particular fund manager, differences in complex size, difference in product mix, difference in types of business (mutual fund, institutional and other), differences in the types of funds and other accounts it manages, possible other lines of business, the methodology for allocating expenses and the fund manager's capital structure and cost of capital.

Additionally, the Trustees considered the estimated profitability to the Adviser from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether the Adviser and subadviser receive adequate incentives and resources to manage the Janus Henderson Funds effectively. In reviewing profitability, the Trustees noted that the estimated profitability for an individual Janus Henderson Fund is necessarily a product of the allocation methodology utilized by the Adviser to allocate its expenses as part of the estimated profitability calculation. In this regard, the Trustees noted that the independent fee consultant found that (1) the expense allocation methodology and rationales utilized by the Adviser were reasonable and (2) no clear correlation exists between expense allocations and operating margins. The Trustees also considered that the estimated profitability for an individual Janus Henderson Fund was influenced by a number of factors, including not only the allocation methodology selected, but also the presence of fee waivers and expense caps, and whether the Janus Henderson Fund's investment management agreement contained breakpoints or a performance fee component. The Trustees determined, after taking into account these factors, among others, that the Adviser's estimated profitability with respect to each Janus Henderson Fund was not unreasonable in relation to the services provided, and that the variation in the range of such estimated profitability among the Janus Henderson Funds was not a material factor in the Board's approval of the reasonableness of any Janus Henderson Fund's investment management fees.

The Trustees concluded that the management fees payable by each Janus Henderson Fund to the Adviser and its affiliates, as well as the fees paid by the Adviser to the subadviser of subadvised Janus Henderson Funds, were reasonable in relation to the nature, extent, and quality of the services provided, taking into account the fees charged by other advisers for managing comparable mutual funds with similar strategies, the fees the Adviser and the subadviser charge to other clients, and, as applicable, the impact of fund performance on management fees payable by the Janus Henderson Funds. The Trustees also concluded that each Janus Henderson Fund's total expenses were reasonable, taking into account the size of the Janus Henderson Fund, the quality of services provided by the Adviser and subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by the Adviser.

Economies of Scale

The Trustees considered information about the potential for the Adviser to realize economies of scale as the assets of the Janus Henderson Funds increase. They noted that their independent fee consultant published a report to the Trustees in November 2019 which provided its research and analysis into economies of scale. They also noted that, although many Janus Henderson Funds pay advisory fees at a fixed base rate as a percentage of net assets, without any breakpoints or performance fees, their independent fee consultant concluded that 75% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. The Trustees also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of the Adviser, the Adviser is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) performance fee structures have been implemented for various Janus Henderson Funds that have caused the effective rate of advisory fees payable by such Janus Henderson Fund to vary depending on the investment performance of the Janus Henderson Fund relative to its benchmark index over the measurement period; and (3) a few Janus Henderson Funds have fee schedules with breakpoints and reduced fee rates above certain asset levels. The Trustees also noted that the Janus Henderson Funds share directly in economies of scale through the significant investments made by the Adviser and its affiliates related to services provided to the Funds and the lower charges of third-party service providers that are based in part on the combined scale of all of the Janus Henderson Funds.

The Trustees also considered the independent fee consultant's conclusion that, given the limitations of various analytical approaches to economies of scale and their conflicting results, it is difficult to analytically confirm or deny the existence of economies of scale in the Janus Henderson complex. In this regard, the independent consultant concluded that (1) to the extent there were economies of scale at the Adviser, the Adviser's general strategy of setting fixed management fees below peers appeared to share any such economies with investors even on smaller Janus Henderson Funds which have not yet achieved those economies and (2) by setting lower fixed fees from the start on these Janus Henderson Funds, the Adviser appeared to be investing to increase the likelihood that these Janus Henderson Funds will grow to a level to achieve any economies of scale that may exist. Further, the independent fee consultant provided its belief that Janus Henderson Fund investors are well-served by the fee levels and performance fee structures in place on the Janus Henderson Funds in light of any economies of scale that may be present at the Adviser.

Based on all of the information reviewed, including the recent and past research and analysis conducted by the Trustees' independent fee consultant, the Trustees concluded that the current fee structure of each Janus Henderson Fund was reasonable and that the current rates of fees do reflect a sharing between the Adviser and the Janus Henderson Fund of any economies of scale that may be present at the current asset level of the Janus Henderson Fund.

Other Benefits to the Adviser

The Trustees also considered benefits that accrue to the Adviser and its affiliates and subadviser to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of the Adviser separately serve the Janus Henderson Funds as transfer agent and distributor, respectively, and the transfer agent receives compensation directly from the non-money market funds for services provided, and that such compensation contributes to the overall profitability of the Adviser and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered the Adviser's past and proposed use of commissions paid by the Janus Henderson Funds on portfolio brokerage transactions to obtain proprietary and third-party research products and services benefiting the Janus Henderson Fund and/or other clients of the Adviser and/or the Adviser, and/or subadviser to a Janus Henderson Fund. The Trustees concluded that the Adviser's and the subadviser's use of these types of client commission arrangements to obtain proprietary and third-party research products and services was consistent with regulatory requirements and guidelines and was likely to benefit each Janus Henderson Fund. The Trustees also concluded that, other than the services provided by the Adviser and its affiliates and subadviser pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and the Adviser and the subadviser may potentially benefit from their relationship with each other in other ways. They concluded that the Adviser and its affiliates share directly in economies of scale through the lower charges of third-party service providers that are based in part on the combined scale of the Janus Henderson Funds and other clients serviced by the Adviser and its affiliates. They also concluded that the Adviser and the subadviser benefit from the receipt of research products and services acquired through commissions paid on portfolio transactions of the Janus Henderson Funds and that the Janus Henderson Funds benefit from the Adviser's and/or the subadviser's receipt of those products and services as well as research products and services acquired through commissions paid by other clients of the Adviser and/or other clients of the subadviser. They further concluded that the success of any Janus Henderson Fund could attract other business to the Adviser, the subadviser or other Janus Henderson funds, and that the success of the Adviser and the subadviser could enhance the Adviser's and the subadviser's ability to serve the Janus Henderson Funds.

Janus Henderson VIT Forty Portfolio
Useful Information About Your Portfolio Report (unaudited)

Management Commentary

The Management Commentary in this report includes valuable insight as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of risk. A company may be allocated to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed in the Management Commentary are just that: opinions. They are a reflection based on best judgment at the time this report was compiled, which was December 31, 2021. As the investing environment changes, so could opinions. These views are unique and are not necessarily shared by fellow employees or by Janus Henderson in general.

Performance Overviews

Performance overview graphs compare the performance of a hypothetical $10,000 investment in the Portfolio with one or more widely used market indices. When comparing the performance of the Portfolio with an index, keep in mind that market indices are not available for investment and do not reflect deduction of expenses.

Average annual total returns are quoted for a Portfolio with more than one year of performance history. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Cumulative total returns are quoted for a Portfolio with less than one year of performance history. Cumulative total return is the growth or decline in value of an investment over time, independent of the period of time involved. Cumulative total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized (if applicable) and unsubsidized ratios. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The net annual fund operating expenses ratio (if applicable) includes contractual waivers of the Adviser and reflects the Portfolio's subsidized expense ratio. Ratios may be higher or lower than those shown in the "Financial Highlights" in this report.

Schedule of Investments

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country of risk. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Bloomberg and/or MSCI Inc.

Tables listing details of individual forward currency contracts, futures, written options, swaptions, and swaps follow the Portfolio's Schedule of Investments (if applicable).

Statement of Assets and Liabilities

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on securities owned, and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid, and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's net assets for each share class (assets minus liabilities) by the number of shares outstanding.

Statement of Operations

This statement details the Portfolio's income, expenses, realized gains and losses on securities and currency transactions, and changes in unrealized appreciation or depreciation of Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from securities and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign currency-denominated assets and liabilities. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. A change in unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

Statements of Changes in Net Assets

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends and distributions to investors, and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment operations. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends and/or distributions in cash, money is taken out of the Portfolio to pay the dividend and/or distribution. If investors reinvest their dividends and/or distributions, the Portfolio's net assets will not be affected.

The reinvestment of dividends and distributions is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

Financial Highlights

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods as well as total return, asset size, ratios, and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income/(loss) per share. Following is the per share total of net gains/(losses), realized and unrealized. Per share dividends and distributions to investors are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the total return for the period. The total return may include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes. As a result, the total return may differ from the total return reflected for individual shareholder transactions. Also included are ratios of expenses and net investment income to average net assets.

The Portfolio's expenses may be reduced through expense offsets and expense reimbursements. The ratios shown reflect expenses before and after any such offsets and reimbursements.

The ratio of net investment income/(loss) summarizes the income earned less expenses, divided by the average net assets of the Portfolio during the reporting period. Do not confuse this ratio with the Portfolio's yield. The net investment income ratio is not a true measure of the Portfolio's yield because it does not take into account the dividends distributed to the Portfolio's investors.

The next figure is the portfolio turnover rate, which measures the buying and selling activity in the Portfolio. Portfolio turnover is affected by market conditions, changes in the asset size of the Portfolio, fluctuating volume of shareholder purchase and redemption orders, the nature of the Portfolio's investments, and the investment style and/or outlook of the portfolio manager(s) and/or investment personnel. A 100% rate implies that an amount equal to the value of the entire portfolio was replaced once during the fiscal year; a 50% rate means that an amount equal to the value of half the portfolio is traded in a year; and a 200% rate means that an amount equal to the value of the entire portfolio is traded every six months.

Janus Henderson VIT Forty Portfolio
Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2021:

Capital Gain Distributions	$138,007,359

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

The following are the Trustees and officers of the Trust, together with a brief description of their principal occupations during the last five years (principal occupations for certain Trustees may include periods over five years). The Portfolio's Statement of Additional Information includes additional information about the Trustees and officers and is available, without charge, by calling 1-877-335-2687.

Each Trustee has served in that capacity since he or she was originally elected or appointed. The Trustees do not serve a specified term of office. Each Trustee will hold office until the termination of the Trust or his or her earlier death, resignation, retirement, incapacity, or removal. Under the Portfolio's Governance Procedures and Guidelines, the policy is for Trustees to retire no later than the end of the calendar year in which the Trustee turns 75. The Trustees review the Portfolio's Governance Procedures and Guidelines from time to time and may make changes they deem appropriate. The Portfolio's Nominating and Governance Committee will consider nominees for the position of Trustee recommended by shareholders. Shareholders may submit the name of a candidate for consideration by the Committee by submitting their recommendations to the Trust's Secretary. Each Trustee is currently a Trustee of one other registered investment company advised by the Adviser: Janus Investment Fund. Collectively, these two registered investment companies consist of 52 series or funds referred to herein as the Fund Complex.

The Trust's officers are elected annually by the Trustees for a one-year term. Certain officers also serve as officers of Janus Investment Fund. Certain officers of the Portfolio may also be officers and/or directors of the Adviser. Except as otherwise disclosed, Portfolio officers receive no compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer, as authorized by the Trustees.

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William F. McCalpin 151 Detroit Street Denver, CO 80206 DOB: 1957	Chairman Trustee	1/08-Present 6/02-Present	Independent Consultant (since 2019) and Chief Operating Officer, muun chi LLC (organic food business) (since 2020). Formerly, Managing Partner, Impact Investments, Athena Capital Advisors LLC (independent registered investment advisor) (2016-2019), Managing Director, Holos Consulting LLC (provides consulting services to foundations and other nonprofit organizations) (2009-2016), Chief Executive Officer, Imprint Capital Advisors (impact investment firm) (2013-2015), and Executive Vice President and Chief Operating Officer of The Rockefeller Brothers Fund (a private family foundation) (1998-2006).	52	Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 1 fund) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006). Formerly, Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (2016-2021).

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Alan A. Brown 151 Detroit Street Denver, CO 80206 DOB: 1962	Trustee	1/13-Present	Principal, Curam Holdings LLC (since 2018). Formerly, Executive Vice President, Institutional Markets, of Black Creek Group (private equity real estate investment management firm) (2012-2018), Executive Vice President and Co-Head, Global Private Client Group (2007-2010), Executive Vice President, Mutual Funds (2005-2007), and Chief Marketing Officer (2001-2005) of Nuveen Investments, Inc. (asset management).	52	Advisory Board Member of AEW Core Property Trust (open-end property fund) (since 2020), and Director of WTTW (PBS affiliate) (since 2003). Formerly, Director of MotiveQuest LLC (strategic social market research company) (2003-2016), Director of Nuveen Global Investors LLC (2007-2011), Director of Communities in Schools (2004-2010), and Director of Mutual Fund Education Alliance (until 2010).

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William D. Cvengros 151 Detroit Street Denver, CO 80206 DOB: 1948	Trustee	1/11-Present	Chief Executive Officer of SJC Capital, LLC (a personal investment company and consulting firm) (since 2002). Formerly, Chief Executive Officer and President of PIMCO Advisors Holdings L.P. (a publicly traded investment management firm) (1994-2000), and Chief Investment Officer (1987-1994) and Vice Chairman and Director (1990-1994) of Pacific Life Insurance Company (a mutual life insurance and annuity company) (1987-1994).	52	Member, Limited Partner Advisory Committee, Karmel Capital Fund III (since 2022), Member of the Investmtnet Committee for the Orange Country Community Foundation (a grantmaking foundation) (since 2020), Advisory Board Member, RevOZ Fund LP and related funds (real estate investments for opportunity zones) (since 2020), and Advisory Board Member, Innovate Partners Emerging Growth and Equity Fund I (early stage venture capital fund) (since 2014). Formerly, Managing Trustee of National Retirement Partners Liquidating Trust (2013-2016), Chairman, National Retirement Partners, Inc. (formerly a network of advisors to 401(k) plans) (2005-2013), Director of Prospect Acquisition Corp. (a special purpose acquisition corporation) (2007-2009), Director of RemedyTemp, Inc. (temporary help services company) (1996-2006), and Trustee of PIMCO Funds Multi-Manager Series (1990-2000) and Pacific Life Variable Life & Annuity Trusts (1987-1994).

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Raudline Etienne 151 Detroit Street Denver, CO 80206 DOB: 1965	Trustee	6/16-Present	Founder, Daraja Capital (advisory and investment firm) (since 2016). Formerly, Senior Vice President and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (2011-2021), and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	52	Member of the Investment Committee for Cooper Union (private college) (since 2021), Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
Gary A. Poliner 151 Detroit Street Denver, CO 80206 DOB: 1953	Trustee	6/16-Present	Retired. Formerly, President (2010-2013) of Northwestern Mutual Life Insurance Company.	52	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013). Formerly, Director, West Bend Mutual Insurance Company (property/casualty insurance) (2013-2021), Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Diane L. Wallace 151 Detroit Street Denver, CO 80206 DOB: 1958	Trustee	6/17-Present	Retired. Formerly, Chief Operating Officer, Senior Vice President-Operations, and Chief Financial Officer for Driehaus Capital Management, LLC (1988-2006) and Treasurer for Driehaus Mutual Funds (1996-2002).	52	Formerly, Director of Family Service of Lake County (2019-2021), Independent Trustee, Henderson Global Funds (13 portfolios) (2015-2017), Independent Trustee, State Farm Associates' Funds Trust, State Farm Mutual Fund Trust, and State Farm Variable Product Trust (28 portfolios) (2013-2017).
Linda S. Wolf 151 Detroit Street Denver, CO 80206 DOB: 1947	Trustee	11/05-Present	Retired. Formerly, Chairman and Chief Executive Officer of Leo Burnett (Worldwide) (advertising agency) (2001-2005).	52	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), and Shirley Ryan Ability Lab. Formerly, Director of Wrapports, LLC (until 2022), Director of Chicago Council on Global Affairs (until 2019), InnerWorkings (until 2019) and Director of Walmart (until 2017).

Janus Henderson VIT Forty Portfolio
Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
A. Douglas Rao 151 Detroit Street Denver, CO 80206 DOB: 1974	Executive Vice President and Co-Portfolio Manager Janus Henderson Forty Portfolio	6/13-Present	Portfolio Manager for other Janus Henderson accounts.
Nick Schommer 151 Detroit Street Denver, CO 80206 DOB: 1978	Executive Vice President and Co-Portfolio Manager Janus Henderson Forty Portfolio	1/16-Present	Portfolio Manager for other Janus Henderson accounts.
Michelle Rosenberg 151 Detroit Street Denver, CO 80206 DOB: 1973	Interim President and Chief Executive Officer	1/22-Present	General Counsel and Corporate Secretary of Janus Henderson Investors (since 2018). Formerly, Senior Vice President and Head of Legal, North America of Janus Henderson Investors (2017-2018) and Deputy General Counsel of Janus Henderson US (Holdings), Inc. (2015-2018).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Kristin Mariani 151 Detroit Street Denver, CO 80206 DOB: 1966	Vice President, Chief Compliance Officer, and Anti-Money Laundering Officer	7/20-Present	Head of Compliance, North America for Janus Henderson Investors (since September 2020), and Chief Compliance Officer for Janus Henderson Investors US LLC (since September 2017). Formerly, Global Head of Investment Management Compliance for Janus Henderson Investors (February 2019-August 2020), Vice President, Head of Global Distribution Compliance and Chief Compliance Officer of Janus Henderson Distributors US LLC (May 2017-September 2017), Vice President, Compliance at Janus Henderson US (Holdings) Inc., Janus Henderson Investors US LLC, and Janus Henderson Distributors US LLC (2009-2017).
Jesper Nergaard 151 Detroit Street Denver, CO 80206 DOB: 1962	Chief Financial Officer Vice President, Treasurer, and Principal Accounting Officer	3/05-Present 2/05-Present	Head of U.S. Fund Administration, Janus Henderson Investors and Janus Henderson Services US LLC.
Abigail J. Murray 151 Detroit Street Denver, CO 80206 DOB: 1975	Vice President, Chief Legal Officer, and Secretary	12/20-Present	Managing Counsel (2020-present). Formerly, Senior Counsel for Invesco Ltd. (2017-2020), and Vice President and Senior Counsel, ALPS Fund Services, Inc. and Assistant General Counsel, ALPS Advisors, Inc. (2015-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

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 US LLC

109-02-81115 03-22

PIMCO

PIMCO VARIABLE INSURANCE TRUST

Annual Report

December 31, 2021

PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

A company of Allianz

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 to us. Following this letter is the PIMCO Variable Insurance Trust Annual Report, which covers the 12-month reporting period ended December 31, 2021. On the subsequent pages, you will find specific details regarding investment results and a discussion of the factors that most affected performance during the reporting period.

For the 12-month reporting period ended December 31, 2021

The global economy continued to be affected by the COVID-19 pandemic ("COVID-19") and its variants. Looking back, first quarter 2021 U.S. annualized gross domestic product ("GDP") was 6.3%. The economy gained momentum during the second quarter, as GDP growth in the U.S. was 6.7%. Growth then moderated to 2.3% during the third quarter of the year. Finally, the Commerce Department's initial estimate for fourth quarter annualized GDP growth — released after the reporting period ended — was 6.9%.

In the U.S., while the Federal Reserve Board (the "Fed") maintained the federal funds rate at an all-time low of a range between 0.00% and 0.25%, it took a step toward tightening its monetary policy. At its meeting in early November 2021, the Fed began reducing the monthly pace of its net asset purchases of Treasury securities and agency mortgage-backed securities. At its meeting in mid-December, the Fed further reduced the monthly pace of its purchases. At the current pace, the U.S. central bank will conclude its asset purchases in mid-March 2022, and could raise interest rates during its March 2022 meeting.

Economies outside the U.S. also continued to be impacted by COVID-19. In its October 2021 *World Economic Outlook*, the International Monetary Fund ("IMF") said it expects U.S. GDP growth to be 6.0% in 2021, compared to a 3.4% contraction in 2020. Elsewhere, the IMF expects 2021 GDP growth in the eurozone, U.K. and Japan will be 5.0%, 6.8% and 2.4%, respectively. For comparison purposes, the GDP of these economies contracted by -6.3%, -9.8% and -4.6%, respectively, in 2020.

The Bank of England (the "BoE") also tightened its monetary policy, while several other developed country central banks maintained their accommodative stances. In December 2021, the BoE surprised the market and raised rates for the first time since COVID-19 began. The BoE cited underlying inflation pressures and expects inflation to remain high in the coming months. In contrast, the European Central Bank (the "ECB") diverged from the Fed and the BoE, as President Christine Lagarde said, "It is very unlikely that we will raise interest rates in the year 2022." The eurozone economy is still below its pre-pandemic level and the Omicron variant is threatening growth in the region. Elsewhere, the Bank of Japan (the "BoJ") pared back its emergency pandemic funding in late 2021, but maintained its loose monetary policy. The BoJ appears likely to remain accommodative in the near future given the headwinds facing its economy.

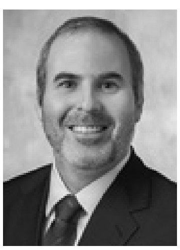
Both short- and long-term U.S. Treasury yields moved higher during the reporting period. The yield on the benchmark 10-year U.S. Treasury note was 1.52% at the end of the reporting period, versus 0.93% on December 31, 2020. The Bloomberg Global Treasury Index (USD Hedged), which tracks fixed-rate, local currency government debt of investment-grade countries, including both developed and emerging markets, returned -1.86%. Meanwhile, the Bloomberg Global Aggregate Credit Index (USD Hedged), a widely used index of global investment-grade credit bonds, returned -0.95%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, produced mixed returns. The ICE BofAML Developed Markets High Yield Constrained Index (USD Hedged), a widely used index of below-investment-grade bonds, returned 5.06%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD Hedged), returned -1.51%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned -8.75%.

Amid periods of volatility, global equities largely posted solid results. All told, U.S. equities, as represented by the S&P 500 Index, returned 28.71%, fueled by strong investor demand and growth in the economy. Global equities, as represented by the MSCI World Index, gained 21.82%, whereas emerging market equities, as measured by the MSCI Emerging Markets Index, returned -2.54%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned 6.62% and European equities, as represented by the MSCI Europe Index (in EUR), gained 25.13%.

Commodity prices were volatile and generated mixed results. When the reporting period began, Brent crude oil was approximately $52 a barrel. Brent crude oil ended the reporting period at roughly $78 a barrel. We believe that a driver of the sharp increase in oil price was stronger demand as global growth improved. Elsewhere, copper prices moved higher, whereas gold prices declined.

Finally, there were also periods of volatility in the foreign exchange markets, in our view due to economic growth expectations, changing central bank monetary policies, rising inflation, COVID-19 variants, and several geopolitical events. The U.S. dollar strengthened against several major currencies. For example, the U.S. dollar returned 6.93%, 1.01% and 10.28% versus the euro, the British pound and the Japanese yen, respectively.

Thank you for the assets you have placed with us. We deeply value your trust, and we will continue to work diligently to meet your broad investment needs.



Sincerely,

Peter G. Strelow
Chairman of the Board
PIMCO Variable Insurance Trust

Past performance is no guarantee of future results. Unless otherwise noted, index returns reflect the reinvestment of income distributions and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an unmanaged index.

Important Information About the PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

PIMCO Variable Insurance Trust (the "Trust") is an open-end management investment company that includes the PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (the "Portfolio"). The Portfolio is only available as a funding vehicle under variable life insurance policies or variable annuity contracts issued by insurance companies ("Variable Contracts"). Individuals may not purchase shares of the Portfolio directly. Shares of the Portfolio also may be sold to qualified pension and retirement plans outside of the separate account context.

We believe that bond funds have an important role to play in a well-diversified investment portfolio. It is important to note, however, that in an environment where interest rates may trend upward, rising rates would negatively impact the performance of most bond funds, and fixed income securities and other instruments held by the Portfolio are likely to decrease in value. A wide variety of factors can cause interest rates or yields of U.S. Treasury securities (or yields of other types of bonds) to rise (e.g., central bank monetary policies, inflation rates, general economic conditions, etc.). In addition, changes in interest rates can be sudden and unpredictable, and there is no guarantee that management will anticipate such movement accurately. The Portfolio may lose money as a result of movements in interest rates.

As of the date of this report, interest rates in the United States and many parts of the world, including certain European countries, are at or near historically low levels. Thus, the Portfolio currently faces a heightened level of risk associated with rising interest rates and/or bond yields. This could be driven by a variety of factors, including but not limited to central bank monetary policies, changing inflation or real growth rates, general economic conditions, increasing bond issuances or reduced market demand for low yielding investments. Further, while bond markets have steadily grown over the past three decades, dealer inventories of corporate bonds are near historic lows in relation to market size. As a result, there has been a significant reduction in the ability of dealers to "make markets."

Bond funds and individual bonds with a longer duration (a measure used to determine the sensitivity of a security's price to changes in interest rates) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations. All of the factors mentioned above, individually or collectively, could lead to increased volatility and/or lower liquidity in the fixed income markets or negatively impact the Portfolio's performance or cause the Portfolio to incur losses. As a result, the Portfolio may experience increased shareholder redemptions which, among other things, could further reduce the net assets of the Portfolio.

The Portfolio may be subject to various risks as described in the Portfolio's prospectus and in the Principal and Other Risks in the Notes to Financial Statements.

Classifications of the Portfolio's portfolio holdings in this report are made according to financial reporting standards. The classification of a particular portfolio holding as shown in the Allocation Breakdown and Schedule of Investments sections of this report may differ from the classification used for the Portfolio's compliance calculations, including those used in the Portfolio's prospectus, investment objectives, regulatory, and other investment limitations and policies, which may be based on different asset class, sector or geographical classifications. The Portfolio is separately monitored for compliance with respect to prospectus and regulatory requirements.

The geographical classification of foreign (non-U.S.) securities in this report, if any, are classified by the country of incorporation of a holding. In certain instances, a security's country of incorporation may be different from its country of economic exposure.

Beginning in January 2020, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy, the economies of certain nations and individual issuers, all of which may negatively impact the Portfolio's performance. In addition, COVID-19 and governmental responses to COVID-19 may negatively impact the capabilities of the Portfolio's service providers and disrupt the Portfolio's operations.

The United States' enforcement of restrictions on U.S. investments in certain issuers and tariffs on goods from other countries, each with a focus on China, has contributed to international trade tensions and may impact portfolio securities.

The Portfolio may have significant exposure to issuers in the United Kingdom. The United Kingdom's withdrawal from the European Union may impact Portfolio returns. The withdrawal may cause substantial volatility in foreign exchange markets, lead to weakness in the exchange rate of the British pound, result in a sustained period of market uncertainty, and destabilize some or all of the other European Union member countries and/or the Eurozone.

The Portfolio may invest in certain instruments that rely in some fashion upon the London Interbank Offered Rate ("LIBOR"). LIBOR is an average interest rate, determined by the ICE Benchmark Administration, that banks charge one another for the use of short-term money. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced plans to ultimately phase out the use of LIBOR. There remains uncertainty regarding future utilization of LIBOR and the nature of any replacement rate (e.g., the Secured

Overnight Financing Rate, which is intended to replace U.S. dollar LIBOR and measures the cost of overnight borrowings through repurchase agreement transactions collateralized with U.S. Treasury securities). Any potential effects of the transition away from LIBOR on the Portfolio or on certain instruments in which the Portfolio invests can be difficult to ascertain, and they may vary depending on a variety of factors. The transition may also result in a reduction in the value of certain instruments held by the Portfolio or a reduction in the effectiveness of related Portfolio transactions such as hedges. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could result in losses to the Portfolio.

On the Portfolio Summary page in this Shareholder Report, the Average Annual Total Return table and Cumulative Returns chart measure performance assuming that any dividend and capital gain distributions were reinvested. The Cumulative Returns chart reflects only Administrative Class performance. Performance may vary by share class based on each class's expense ratios. The Portfolio measures its performance against at least one broad-based securities market index ("benchmark index"). The benchmark index does not take into account fees, expenses, or taxes. The Portfolio's past performance, before and after taxes, is not necessarily an indication of how the Portfolio will perform in the future. There is no assurance that the Portfolio, even if the Portfolio has experienced high or unusual performance for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) the Portfolio's total return in excess of that of the Portfolio's benchmark between reporting periods or 2) the Portfolio's total return in excess of the Portfolio's historical returns between reporting periods. Unusual performance is defined as a significant change in the Portfolio's performance as compared to one or more previous reporting periods. Historical performance for the Portfolio or a share class thereof may have been positively impacted by fee waivers or expense limitations in place during some or all of the periods shown, if applicable. Future performance (including total return or yield) and distributions may be negatively impacted by the expiration or reduction of any such fee waivers or expense limitations.

The following table discloses the inception dates of the Portfolio and its share classes along with the Portfolio's diversification status as of period end:

Portfolio Name	Portfolio Inception	Institutional Class	Administrative Class	Advisor Class	Diversification Status
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	02/16/99	04/10/00	02/16/99	04/30/14	Non-diversified

An investment in the Portfolio is not a bank deposit and is not guaranteed or insured by the Federal Deposit Insurance Corporation or any other government agency. It is possible to lose money on investments in the Portfolio.

The Trustees are responsible generally for overseeing the management of the Trust. The Trustees authorize the Trust to enter into service agreements with the Adviser, the Distributor, the Administrator and other service providers in order to provide, and in some cases authorize service providers to procure through other parties, necessary or desirable services on behalf of the Trust and the Portfolio. Shareholders are not parties to or third-party beneficiaries of such service agreements. Neither this Portfolio's prospectus nor summary prospectus, the Trust's Statement of Additional Information ("SAI"), any contracts filed as exhibits to the Trust's registration statement, nor any other communications, disclosure documents or regulatory filings (including this report) from or on behalf of the Trust or the Portfolio creates a contract between or among any shareholder of the Portfolio, on the one hand, and the Trust, the Portfolio, a service provider to the Trust or the Portfolio, and/or the Trustees or officers of the Trust, on the other hand. The Trustees (or the Trust and its officers, service providers or other delegates acting under authority of the Trustees) may amend the most recent prospectus or use a new prospectus, summary prospectus or SAI with respect to the Portfolio or the Trust, and/or amend, file and/or issue any other communications, disclosure documents or regulatory filings, and may amend or enter into any contracts to which the Trust or the Portfolio is a party, and interpret the investment objective(s), policies, restrictions and contractual provisions applicable to the Portfolio, without shareholder input or approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement is specifically disclosed in the Trust's then-current prospectus or SAI.

PIMCO has adopted written proxy voting policies and procedures ("Proxy Policy") as required by Rule 206(4)-6 under the Investment Advisers Act of 1940, as amended. The Proxy Policy has been adopted by the Trust as the policies and procedures that PIMCO will use when voting proxies on behalf of the Portfolio. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of the Portfolio, and information about how the Portfolio voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling the Trust at (888) 87-PIMCO, on the Portfolio's website at www.pimco.com/pvit, and on the Securities and Exchange Commission's ("SEC") website at www.sec.gov.

The Portfolio files portfolio holdings information with the SEC on Form N-PORT within 60 days of the end of each fiscal quarter. The

Portfolio's complete schedule of securities holdings as of the end of each fiscal quarter will be made available to the public on the SEC's website at www.sec.gov and on PIMCO's website at www.pimco.com/pvit, and will be made available, upon request by calling PIMCO at (888) 87-PIMCO.

The SEC adopted a rule that allows shareholder reports to be delivered to investors by providing access to such reports online free of charge and by mailing a notice that the report is electronically available. Pursuant to the rule, investors may elect to receive all future reports in paper free of charge by contacting their insurance company. Any election to receive reports in paper will apply to all portfolio companies available under the investor's contract at the insurance company.

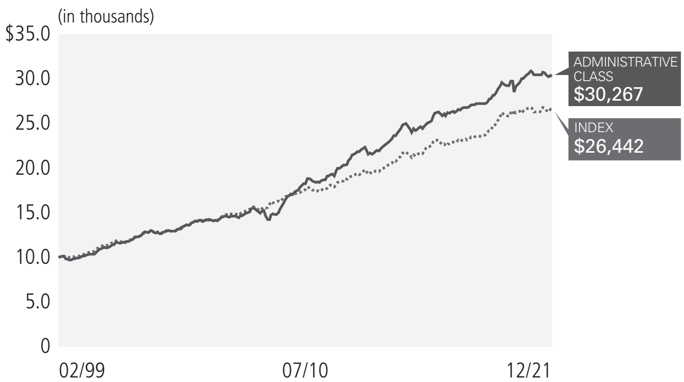
In August 2020, the SEC proposed changes to the mutual fund and ETF shareholder report and registration statement disclosure requirements and the registered fund advertising rules, which, if adopted, will change the disclosures provided to shareholders.

In October 2020, the SEC adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that recinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions. Subject to certain exceptions, and after an eighteen-month transition period, the rule requires portfolios to trade derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions) subject to a value-at-risk leverage limit, certain derivatives risk management program and reporting requirements. These requirements may limit the ability of the Portfolio to use derivatives and reverse repurchase agreements and similar financing transactions as part of its investment strategies and may increase the cost of the Portfolio's investments and cost of doing business, which could adversely affect investors.

In October 2020, the SEC adopted a rule regarding the ability of a fund to invest in other funds. The rule allows a fund to acquire shares of another fund in excess of certain limitations currently imposed by the Investment Company Act of 1940 (the "Act") without obtaining individual exemptive relief from the SEC, subject to certain conditions. The rule also includes the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The effective date for the rule was January 19, 2021, and the compliance date for the rule was January 19, 2022.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Act, and the SEC noted that this definition will apply in all contexts under the Act. The SEC adopted an eighteen-month transition period beginning from the effective date for both the new rule and the associated new recordkeeping requirements. The impact of the new rule on the Portfolio is uncertain at this time.

Cumulative Returns Through December 31, 2021



$10,000 invested at the end of the month when the Portfolio's Administrative Class commenced operations.

Geographic Breakdown as of December 31, 2021[†§]

United States	28.3%
China	12.9%
Japan	12.0%
United Kingdom	9.7%
Cayman Islands	5.5%
Short-Term Instruments[‡]	4.9%
Denmark	4.0%
Spain	3.1%
France	2.5%
Germany	2.0%
Italy	1.8%
Malaysia	1.6%
Ireland	1.4%
South Korea	1.4%
Switzerland	1.3%
Other	7.6%

[†] % of Investments, at value.

[§] Geographic Breakdown and % of investments exclude securities sold short and financial derivative instruments, if any.

[‡] Includes Central Funds Used for Cash Management Purposes.

Average Annual Total Return for the period ended December 31, 2021

		1 Year	5 Years	10 Years	Inception≈
	PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Institutional Class	(1.81)%	3.21%	4.54%	5.30%
—	PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Administrative Class	(1.96)%	3.05%	4.39%	4.95%
	PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Advisor Class	(2.05)%	2.95%	—	3.71%
.....	Bloomberg Global Aggregate ex-USD (USD Hedged) Index±	(1.40)%	3.11%	3.80%	4.35%◆

All Portfolio returns are net of fees and expenses and include applicable fee waivers and/or expense limitations. Absent any applicable fee waivers and/or expense limitations, performance would have been lower and there can be no assurance that any such waivers or limitations will continue in the future.

≈ For class inception dates please refer to the Important Information.

◆ Average annual total return since 02/28/1999.

± Bloomberg Global Aggregate ex-USD (USD Hedged) Index provides a broad-based measure of the global investment-grade fixed income markets. The major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian Government securities.

It is not possible to invest directly in an unmanaged index.

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. The Portfolio's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in Variable Contracts, which will reduce returns. Differences in the Portfolio's performance versus the index and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the prices of individual positions (which may be sourced from different pricing vendors or other sources) used by the Portfolio and the index. For performance current to the most recent month-end, visit www.pimco.com/pvit or via (888) 87-PIMCO.

The Portfolio's total annual operating expense ratio in effect as of period end were 0.79% for Institutional Class shares, 0.94% for Administrative Class shares, and 1.04% for Advisor Class shares. Details regarding any changes to the Portfolio's operating expenses, subsequent to period end, can be found in the Portfolio's current prospectus, as supplemented.

Investment Objective and Strategy Overview

PIMCO International Bond Portfolio (U.S. Dollar-Hedged) seeks maximum total return, consistent with preservation of capital and prudent investment management, by investing under normal circumstances at least 80% of its assets in Fixed Income Instruments that are economically tied to at least three non-U.S. countries. The Portfolio's investments in Fixed Income Instruments may be represented by forwards or derivatives such as options, futures contracts or swap agreements. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. The Portfolio will normally limit its foreign currency exposure (from non-U.S. dollar-denominated securities or currencies) to 20% of its total assets. Portfolio strategies may change from time to time. Please refer to the Portfolio's current prospectus for more information regarding the Portfolio's strategy.

Portfolio Insights

The following affected performance (on a gross basis) during the reporting period:

» Positions in non-agency mortgage-backed securities contributed to relative performance, as spreads tightened.

» Overweight exposure to senior and subordinated financials contributed to relative performance, as spreads tightened through November 2021.

» Duration and curve positioning in the U.S., particularly an underweight to duration in Q1'21, contributed to relative performance, as yields rose.

» Underweight exposure to non-financial investment-grade corporate credit detracted from relative performance, as spreads tightened.

» Overweight exposure to duration in Peru detracted from relative performance, as yields rose.

» Overweight exposure to duration in Australia, particularly during Q1'21, detracted from relative performance, as yields rose.

Example

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including investment advisory fees, supervisory and administrative fees, distribution and/or service (12b-1) fees (if applicable), and other Portfolio expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds.

The Expense Example does not reflect any fees or other expenses imposed by the Variable Contracts. If it did, the expenses reflected in the Expense Example would be higher. The Example is based on an investment of $1,000 invested at the beginning of the period and held from July 1, 2021 to December 31, 2021 unless noted otherwise in the table and footnotes below.

Actual Expenses

The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.60), then multiply the result by the number in the appropriate row for your share class, in the column titled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

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

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different portfolios. In addition, if these transactional costs were included, your costs would have been higher.

Expense ratios may vary period to period because of various factors, such as an increase in expenses that are not covered by the investment advisory fees and supervisory and administrative fees, such as fees and expenses of the independent trustees and their counsel, extraordinary expenses and interest expense.

	Actual			Hypothetical (5% return before expenses)			
	Beginning Account Value (07/01/21)	Ending Account Value (12/31/21)	Expenses Paid During Period*	Beginning Account Value (07/01/21)	Ending Account Value (12/31/21)	Expenses Paid During Period*	Net Annualized Expense Ratio**
Institutional Class	$ 1,000.00	$ 994.70	$ 3.86	$ 1,000.00	$ 1,021.61	$ 3.91	0.76%
Administrative Class	1,000.00	993.90	4.62	1,000.00	1,020.84	4.69	0.91
Advisor Class	1,000.00	993.40	5.13	1,000.00	1,020.33	5.20	1.01

* Expenses Paid During Period are equal to the net annualized expense ratio for the class, multiplied by the average account value over the period, multiplied by 186/365 (to reflect the one-half year period). Overall fees and expenses of investing in the Portfolio will be higher because the example does not reflect variable contract fees and expenses.

** Net Annualized Expense Ratio is reflective of any applicable contractual fee waivers and/or expense reimbursements or voluntary fee waivers. Details regarding fee waivers, if any, can be found in Note 9, Fees and Expenses, in the Notes to Financial Statements.

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Financial Highlights PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

		Investment Operations			Less Distributions[b][c]		
Selected Per Share Data for the Year Ended^:	Net Asset Value Beginning of Year[a]	Net Investment Income (Loss)[b]	Net Realized/ Unrealized Gain (Loss)	Total	From Net Investment Income	From Net Realized Capital Gain	Total
Institutional Class							
12/31/2021	$ 11.24	$ 0.17	$ (0.37)	$ (0.20)	$ (0.19)	$ (0.10)	$ (0.29)
12/31/2020	11.32	0.17	0.45	0.62	(0.70)	0.00	(0.70)
12/31/2019	10.84	0.22	0.55	0.77	(0.21)	(0.08)	(0.29)
12/31/2018	10.79	0.20	0.05	0.25	(0.16)	(0.04)	(0.20)
12/31/2017	11.02	0.15	0.17	0.32	(0.55)	0.00	(0.55)
Administrative Class							
12/31/2021	11.24	0.15	(0.37)	(0.22)	(0.17)	(0.10)	(0.27)
12/31/2020	11.32	0.16	0.44	0.60	(0.68)	0.00	(0.68)
12/31/2019	10.84	0.21	0.55	0.76	(0.20)	(0.08)	(0.28)
12/31/2018	10.79	0.18	0.05	0.23	(0.14)	(0.04)	(0.18)
12/31/2017	11.02	0.13	0.17	0.30	(0.53)	0.00	(0.53)
Advisor Class							
12/31/2021	11.24	0.14	(0.37)	(0.23)	(0.16)	(0.10)	(0.26)
12/31/2020	11.32	0.15	0.44	0.59	(0.67)	0.00	(0.67)
12/31/2019	10.84	0.19	0.56	0.75	(0.19)	(0.08)	(0.27)
12/31/2018	10.79	0.17	0.05	0.22	(0.13)	(0.04)	(0.17)
12/31/2017	11.02	0.12	0.17	0.29	(0.52)	0.00	(0.52)

^ A zero balance may reflect actual amounts rounding to less than $0.01 or 0.01%.

[a] Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio.

[b] Per share amounts based on average number of shares outstanding during the year.

[c] The tax characterization of distributions is determined in accordance with Federal income tax regulations. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

[d] Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio. Additionally, excludes initial sales charges and contingent deferred sales charges.

			Ratios/Supplemental Data						
			Ratios to Average Net Assets						
Net Asset Value End of Year[a]	Total Return[d]	Net Assets End of Year (000s)	Expenses	Expenses Excluding Waivers	Expenses Excluding Interest Expense	Expenses Excluding Interest Expense and Waivers	Net Investment Income (Loss)	Portfolio Turnover Rate
$ 10.75	(1.81)%	$ 120,577	0.76%	0.76%	0.75%	0.75%	1.52%	345%
11.24	5.72	84,623	0.79	0.79	0.75	0.75	1.52	512
11.32	7.17	9,105	0.86	0.86	0.75	0.75	1.98	272
10.84	2.27	7,483	0.81	0.81	0.75	0.75	1.85	185
10.79	2.92	6,705	0.78	0.78	0.75	0.75	1.37	158
10.75	(1.96)	82,338	0.91	0.91	0.90	0.90	1.36	345
11.24	5.56	78,210	0.94	0.94	0.90	0.90	1.44	512
11.32	7.01	79,540	1.01	1.01	0.90	0.90	1.83	272
10.84	2.12	78,640	0.96	0.96	0.90	0.90	1.70	185
10.79	2.76	76,989	0.93	0.93	0.90	0.90	1.21	158
10.75	(2.05)	499,139	1.01	1.01	1.00	1.00	1.26	345
11.24	5.45	488,470	1.04	1.04	1.00	1.00	1.34	512
11.32	6.90	477,388	1.11	1.11	1.00	1.00	1.73	272
10.84	2.02	444,881	1.06	1.06	1.00	1.00	1.59	185
10.79	2.66	431,545	1.03	1.03	1.00	1.00	1.11	158

(Amounts in thousands†, except per share amounts)

Assets:	
Investments, at value	
Investments in securities*	$ 751,193
Investments in Affiliates	19,953
Financial Derivative Instruments	
Exchange-traded or centrally cleared	540
Over the counter	2,355
Cash	5
Deposits with counterparty	9,716
Foreign currency, at value	2,961
Receivable for investments sold	11,157
Receivable for investments sold on a delayed-delivery basis	44
Receivable for TBA investments sold	300,011
Receivable for Portfolio shares sold	338
Interest and/or dividends receivable	4,416
Dividends receivable from Affiliates	5
Total Assets	1,102,694
Liabilities:	
Borrowings & Other Financing Transactions	
Payable for reverse repurchase agreements	$ 13,125
Payable for short sales	121,369
Financial Derivative Instruments	
Exchange-traded or centrally cleared	737
Over the counter	5,460
Payable for investments purchased	14,991
Payable for investments in Affiliates purchased	5
Payable for TBA investments purchased	242,655
Deposits from counterparty	1,670
Payable for Portfolio shares redeemed	20
Accrued investment advisory fees	159
Accrued supervisory and administrative fees	318
Accrued distribution fees	113
Accrued servicing fees	11
Other liabilities	7
Total Liabilities	400,640
Net Assets	$ 702,054
Net Assets Consist of:	
Paid in capital	$ 707,286
Distributable earnings (accumulated loss)	(5,232)
Net Assets	$ 702,054
Net Assets:	
Institutional Class	$ 120,577
Administrative Class	82,338
Advisor Class	499,139
Shares Issued and Outstanding:	
Institutional Class	11,213
Administrative Class	7,657
Advisor Class	46,416
Net Asset Value Per Share Outstanding(a):	
Institutional Class	$ 10.75
Administrative Class	10.75
Advisor Class	10.75
Cost of investments in securities	$ 739,696
Cost of investments in Affiliates	$ 20,227
Cost of foreign currency held	$ 2,966
Proceeds received on short sales	$ 121,431
Cost or premiums of financial derivative instruments, net	$ 2,022
* Includes repurchase agreements of:	$ 252

† A zero balance may reflect actual amounts rounding to less than one thousand.

(a) Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio.

See Accompanying Notes

Statement of Operations PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

Year Ended December 31, 2021
(Amounts in thousands†)

Investment Income:	
Interest, net of foreign taxes*	$ 14,816
Dividends	13
Dividends from Investments in Affiliates	488
Total Income	15,317
Expenses:	
Investment advisory fees	1,690
Supervisory and administrative fees	3,380
Servicing fees - Administrative Class	116
Distribution and/or servicing fees - Advisor Class	1,240
Trustee fees	18
Interest expense	35
Miscellaneous expense	1
Total Expenses	6,480
Net Investment Income (Loss)	8,837
Net Realized Gain (Loss):	
Investments in securities	6,213
Investments in Affiliates	(187)
Exchange-traded or centrally cleared financial derivative instruments	(2,040)
Over the counter financial derivative instruments	9,719
Short sales	683
Foreign currency	520
Net Realized Gain (Loss)	14,908
Net Change in Unrealized Appreciation (Depreciation):	
Investments in securities	(36,737)
Investments in Affiliates	(277)
Exchange-traded or centrally cleared financial derivative instruments	(3,780)
Over the counter financial derivative instruments	1,834
Short sales	71
Foreign currency assets and liabilities	1,649
Net Change in Unrealized Appreciation (Depreciation)	(37,240)
Net Increase (Decrease) in Net Assets Resulting from Operations	$ (13,495)
* Foreign tax withholdings	$ 47

† A zero balance may reflect actual amounts rounding to less than one thousand.

Statements of Changes in Net Assets PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

(Amounts in thousands†)	Year Ended December 31, 2021	Year Ended December 31, 2020
Increase (Decrease) in Net Assets from:		
Operations:		
Net investment income (loss)	$ 8,837	$ 7,867
Net realized gain (loss)	14,908	(9,123)
Net change in unrealized appreciation (depreciation)	(37,240)	31,040
Net Increase (Decrease) in Net Assets Resulting from Operations	(13,495)	29,784
Distributions to Shareholders:		
From net investment income and/or net realized capital gains		
Institutional Class	(2,400)	(1,179)
Administrative Class	(1,916)	(4,421)
Advisor Class	(11,780)	(26,678)
Total Distributions[(a)]	(16,096)	(32,278)
Portfolio Share Transactions:		
Net increase (decrease) resulting from Portfolio share transactions*	80,342	87,764
Total Increase (Decrease) in Net Assets	50,751	85,270
Net Assets:		
Beginning of year	651,303	566,033
End of year	$ 702,054	$ 651,303

† A zero balance may reflect actual amounts rounding to less than one thousand.
* See Note 13, Shares of Beneficial Interest, in the Notes to Financial Statements.
(a) The tax characterization of distributions is determined in accordance with Federal income tax regulations. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(Amounts in thousands*, except number of shares, contracts, units and ounces, if any)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 107.0%		
ARGENTINA 0.0%		
SOVEREIGN ISSUES 0.0%		
Argentina Government International Bond		
0.500% due 07/09/2030 þ	$ 230	$ 82
1.000% due 07/09/2029	5	2
36.237% (BADLARPP + 2.000%) due 04/03/2022 ~	ARS 8,070	40
Autonomous City of Buenos Aires		
39.182% (BADLARPP + 5.000%) due 01/23/2022 ~	70	0
Total Argentina (Cost $588)		**124**
AUSTRALIA 0.6%		
ASSET-BACKED SECURITIES 0.0%		
Driver Australia Trust		
0.947% (BBSW1M + 0.930%) due 07/21/2026 ~	AUD 89	65
CORPORATE BONDS & NOTES 0.0%		
Sydney Airport Finance Co. Pty. Ltd.		
3.900% due 03/22/2023	$ 300	310
NON-AGENCY MORTGAGE-BACKED SECURITIES 0.1%		
Pepper Residential Securities Trust		
1.035% due 03/12/2061 •	252	252
RESIMAC Bastille Trust		
1.034% due 09/05/2057 •	372	372
		624
SOVEREIGN ISSUES 0.5%		
Australia Government International Bond		
1.000% due 11/21/2031	AUD 1,000	683
1.750% due 06/21/2051	800	503
Northern Territory Treasury Corp.		
2.000% due 04/21/2031	800	574
South Australia Government Financing Authority		
1.750% due 05/24/2032	800	567
Treasury Corp. of Victoria		
4.250% due 12/20/2032	1,200	1,061
		3,388
Total Australia (Cost $4,358)		**4,387**
CANADA 1.1%		
CORPORATE BONDS & NOTES 0.1%		
Air Canada Pass-Through Trust		
3.300% due 07/15/2031	$ 85	86
Fairfax Financial Holdings Ltd.		
2.750% due 03/29/2028	EUR 500	619
		705
NON-AGENCY MORTGAGE-BACKED SECURITIES 0.2%		
Real Estate Asset Liquidity Trust		
2.381% due 02/12/2055 ~	CAD 461	367
2.867% due 02/12/2055 ~	1,000	800
3.072% due 08/12/2053	359	290
		1,457
SOVEREIGN ISSUES 0.8%		
Canada Government International Bond		
2.000% due 12/01/2051	4,800	4,083
Canada Government Real Return Bond		
1.500% due 12/01/2044 (e)	498	542

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Province of Quebec		
3.000% due 09/01/2023	CAD 1,100	$ 898
		5,523
Total Canada (Cost $7,138)		**7,685**
CAYMAN ISLANDS 6.0%		
ASSET-BACKED SECURITIES 5.5%		
American Money Management Corp. CLO Ltd.		
1.096% due 11/10/2030 •	$ 1,500	1,505
1.107% due 04/14/2029 •	1,293	1,293
Ares CLO Ltd.		
0.990% due 01/15/2029 •	1,700	1,697
BDS Ltd.		
1.450% due 12/18/2036 •	1,700	1,702
Benefit Street Partners CLO Ltd.		
1.074% due 10/15/2030 •	1,700	1,698
Carlyle Global Market Strategies CLO Ltd.		
1.105% due 08/14/2030 •	1,700	1,699
Crestline Denali CLO Ltd.		
1.162% due 04/20/2030 •	1,700	1,700
Elevation CLO Ltd.		
1.080% due 10/25/2030 •	1,700	1,697
Gallatin CLO Ltd.		
1.177% due 07/15/2031 •	2,100	2,100
GoldenTree Loan Management U.S. CLO Ltd.		
1.472% due 01/20/2033 •	1,400	1,399
GPMT Ltd.		
1.454% due 12/15/2036 •	1,800	1,802
Jamestown CLO Ltd.		
1.464% due 04/15/2033 •	1,300	1,301
LCM LP		
1.086% due 07/19/2027 •	2,100	2,100
1.172% due 10/20/2027 •	723	723
Marathon CLO Ltd.		
1.030% due 11/21/2027 •	232	232
Marble Point CLO Ltd.		
1.164% due 10/15/2030 •	900	900
MidOcean Credit CLO		
1.229% due 01/29/2030 •	1,700	1,699
Mountain View CLO LLC		
1.212% due 10/16/2029 •	1,500	1,501
Palmer Square Loan Funding Ltd.		
0.971% due 07/20/2029 •	1,600	1,599
Starwood Commercial Mortgage Trust		
1.309% due 04/18/2038 •	1,700	1,700
Stratus CLO Ltd.		
1.080% due 12/28/2029 •	1,700	1,700
Symphony CLO Ltd.		
1.077% due 07/14/2026 •	475	475
THL Credit Wind River Clo Ltd.		
1.204% due 04/15/2031 •	1,700	1,697
Venture CLO Ltd.		
1.004% due 04/15/2027 •	235	235
1.146% due 09/07/2030 •	1,300	1,299
Vibrant CLO Ltd.		
1.172% due 09/15/2030 •	1,700	1,703
1.240% due 07/20/2032 •	1,600	1,601
		38,757
CORPORATE BONDS & NOTES 0.4%		
MGM China Holdings Ltd.		
4.750% due 02/01/2027	500	496
QNB Finance Ltd.		
1.132% (US0003M + 1.000%) due 05/02/2022 ~	1,000	1,002
S.A. Global Sukuk Ltd.		
2.694% due 06/17/2031	400	403
Sands China Ltd.		
5.125% due 08/08/2025	200	210
5.400% due 08/08/2028	500	539

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Tencent Holdings Ltd.		
3.595% due 01/19/2028	$ 200	$ 212
		2,862
NON-AGENCY MORTGAGE-BACKED SECURITIES 0.1%		
MF1 Multifamily Housing Mortgage Loan Trust		
1.014% due 07/15/2036 •	764	763
Total Cayman Islands (Cost $42,314)		**42,382**
CHINA 14.2%		
SOVEREIGN ISSUES 14.2%		
China Development Bank		
2.890% due 06/22/2025	CNY 28,600	4,517
3.050% due 08/25/2026	28,000	4,432
3.180% due 04/05/2026	20,800	3,311
3.390% due 07/10/2027	14,000	2,244
3.430% due 01/14/2027	13,400	2,159
3.680% due 02/26/2026	85,400	13,852
3.740% due 09/10/2025	10,200	1,654
4.040% due 04/10/2027	38,200	6,330
4.150% due 10/26/2025	2,600	428
4.240% due 08/24/2027	67,700	11,346
4.880% due 02/09/2028	31,400	5,446
China Government International Bond		
2.700% due 11/03/2026	12,900	2,032
2.740% due 08/04/2026	43,800	6,908
2.850% due 01/28/2026	6,800	1,080
2.850% due 06/04/2027	17,100	2,711
2.950% due 06/16/2023	2,200	348
3.020% due 10/22/2025	84,500	13,470
3.220% due 12/06/2025	2,200	354
3.280% due 12/03/2027	91,100	14,796
3.290% due 10/18/2023	6,500	1,036
3.820% due 11/02/2027	8,000	1,333
Total China (Cost $91,612)		**99,787**
DENMARK 4.4%		
CORPORATE BONDS & NOTES 4.4%		
Jyske Realkredit A/S		
1.000% due 10/01/2050	DKK 40,015	5,819
1.500% due 10/01/2053	3,900	581
Nordea Kredit Realkreditaktieselskab		
1.000% due 10/01/2050	46,242	6,727
1.500% due 10/01/2053	5,600	835
Nykredit Realkredit A/S		
0.190% due 10/01/2022 •	EUR 1,400	1,600
1.000% due 10/01/2050	DKK 56,235	8,154
1.000% due 10/01/2053	13,333	1,920
1.500% due 10/01/2053	19,700	2,947
Realkredit Danmark A/S		
1.000% due 10/01/2050	5,500	802
1.000% due 10/01/2053	3,000	433
1.500% due 10/01/2053	4,800	715
Total Denmark (Cost $31,160)		**30,533**
FRANCE 2.7%		
CORPORATE BONDS & NOTES 0.6%		
BNP Paribas S.A.		
1.675% due 06/30/2027 •	$ 1,000	983
2.159% due 09/15/2029 •	800	785
BPCE S.A.		
2.045% due 10/19/2027 •	400	397
Societe Generale S.A.		
1.488% due 12/14/2026 •	2,400	2,339
		4,504
SOVEREIGN ISSUES 2.1%		
France Government International Bond		
0.500% due 05/25/2072 (j)	EUR 1,000	881

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
0.750% due 05/25/2052 (j)	EUR 4,650	$ 5,062
2.000% due 05/25/2048 (j)	6,200	9,076
		15,019
Total France (Cost $18,366)		**19,523**

GERMANY 2.2%

CORPORATE BONDS & NOTES 2.2%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Deutsche Bank AG		
1.625% due 01/20/2027	EUR 2,200	2,611
1.750% due 01/17/2028	700	834
2.222% due 09/18/2024 •	$ 1,800	1,824
2.625% due 12/16/2024	GBP 300	415
2.625% due 02/12/2026	EUR 1,200	1,478
3.300% due 11/16/2022	$ 1,200	1,225
3.547% due 09/18/2031 •	1,000	1,054
3.729% due 01/14/2032 •(h)	1,100	1,126
3.961% due 11/26/2025 •	1,250	1,321
IHO Verwaltungs GmbH (3.875% Cash or 4.625% PIK)		
3.875% due 05/15/2027 (b)	EUR 200	233
IHO Verwaltungs GmbH (6.000% Cash or 6.750% PIK)		
6.000% due 05/15/2027 (b)	$ 900	930
Volkswagen Bank GmbH		
1.250% due 08/01/2022	EUR 800	919
2.500% due 07/31/2026	700	871
ZF Finance GmbH		
3.750% due 09/21/2028	700	861
Total Germany (Cost $15,716)		**15,702**

HUNGARY 0.0%

SOVEREIGN ISSUES 0.0%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Hungary Government International Bond		
2.125% due 09/22/2031	$ 300	296
Total Hungary (Cost $296)		**296**

INDIA 0.1%

CORPORATE BONDS & NOTES 0.1%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Shriram Transport Finance Co. Ltd.		
5.950% due 10/24/2022	$ 500	509
State Bank of India		
4.000% due 01/24/2022	200	200
Total India (Cost $702)		**709**

IRELAND 1.6%

ASSET-BACKED SECURITIES 1.3%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Armada Euro CLO DAC		
0.720% due 07/15/2031 •	EUR 700	796
Aurium CLO DAC		
0.670% due 04/16/2030 •	499	568
Black Diamond CLO DAC		
0.650% due 10/03/2029 •	197	225
BlueMountain Fuji EUR CLO DAC		
0.650% due 07/15/2030 •	1,498	1,707
Cairn CLO DAC		
0.600% due 04/30/2031 •	1,100	1,251
CVC Cordatus Loan Fund DAC		
0.650% due 10/15/2031 •	800	908
Dryden Euro CLO BV		
0.660% due 04/15/2033 •	900	1,022
Jubilee CLO BV		
0.610% due 04/15/2030 •	800	910
0.650% due 04/15/2031 •	500	569
Man GLG Euro CLO DAC		
0.690% due 12/15/2031 •	1,000	1,135
		9,091

CORPORATE BONDS & NOTES 0.3%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
AerCap Ireland Capital DAC		
2.450% due 10/29/2026	$ 600	$ 605
3.000% due 10/29/2028	600	609
AIB Group PLC		
2.875% due 05/30/2031 •	EUR 500	601
4.750% due 10/12/2023	$ 200	212
		2,027
Total Ireland (Cost $11,645)		**11,118**

ISRAEL 0.8%

SOVEREIGN ISSUES 0.8%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Israel Government International Bond		
0.750% due 07/31/2022	ILS 1,700	549
2.000% due 03/31/2027	4,400	1,520
3.800% due 05/13/2060	$ 1,300	1,507
4.125% due 01/17/2048	300	369
5.500% due 01/31/2022	ILS 6,100	1,970
Total Israel (Cost $5,473)		**5,915**

ITALY 2.0%

CORPORATE BONDS & NOTES 0.9%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Banca Carige SpA		
0.928% (EUR003M + 1.500%) due 05/25/2022 ~	EUR 1,600	1,825
Banca Monte dei Paschi di Siena SpA		
0.875% due 10/08/2027	900	1,054
2.625% due 04/28/2025	500	571
UniCredit SpA		
2.200% due 07/22/2027 •	350	420
7.500% due 06/03/2026 •(f)(g)	200	268
7.830% due 12/04/2023	$ 1,200	1,339
9.250% due 06/03/2022 •(f)(g)	EUR 600	710
		6,187

SOVEREIGN ISSUES 1.1%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Italy Buoni Poliennali Del Tesoro		
1.500% due 04/30/2045	1,100	1,176
1.750% due 07/01/2024	3,000	3,564
1.850% due 07/01/2025	800	963
2.150% due 03/01/2072	1,000	1,086
Italy Government International Bond		
6.000% due 08/04/2028	GBP 400	676
		7,465
Total Italy (Cost $13,586)		**13,652**

JAPAN 13.1%

CORPORATE BONDS & NOTES 0.6%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Mitsubishi UFJ Financial Group, Inc.		
3.455% due 03/02/2023	$ 600	618
Mizuho Financial Group, Inc.		
1.081% (US0003M + 0.880%) due 09/11/2022 ~	700	703
1.201% (US0003M + 1.000%) due 09/11/2024 ~	900	909
3.922% due 09/11/2024 •	500	523
Nissan Motor Co. Ltd.		
3.043% due 09/15/2023	200	205
3.522% due 09/17/2025	400	420
4.345% due 09/17/2027	400	432
4.810% due 09/17/2030	400	448
ORIX Corp.		
3.250% due 12/04/2024	200	211
		4,469

SOVEREIGN ISSUES 12.5%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Development Bank of Japan, Inc.		
1.750% due 08/28/2024	1,400	1,425
Japan Bank for International Cooperation		
1.750% due 10/17/2024	$ 500	$ 509
Japan Government International Bond		
0.100% due 03/10/2028 (e)	JPY 456,179	4,105
0.100% due 06/20/2031	1,280,000	11,175
0.100% due 09/20/2031	3,007,800	26,224
0.300% due 06/20/2046	620,000	5,056
0.500% due 09/20/2046	202,000	1,724
0.500% due 03/20/2049	960,000	8,028
0.700% due 12/20/2048	772,000	6,804
0.700% due 06/20/2051	558,000	4,869
1.200% due 09/20/2035	1,340,000	13,133
1.300% due 06/20/2035	200,000	1,981
Tokyo Metropolitan Government		
0.750% due 07/16/2025	$ 2,100	2,052
2.500% due 06/08/2022	600	604
		87,689
Total Japan (Cost $96,247)		**92,158**

JERSEY, CHANNEL ISLANDS 0.2%

ASSET-BACKED SECURITIES 0.2%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Saranac CLO Ltd.		
1.259% due 08/13/2031 •	$ 1,700	1,700
Total Jersey, Channel Islands (Cost $1,700)		**1,700**

KUWAIT 0.3%

SOVEREIGN ISSUES 0.3%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Kuwait International Government Bond		
3.500% due 03/20/2027	$ 2,000	2,182
Total Kuwait (Cost $1,989)		**2,182**

LITHUANIA 0.1%

SOVEREIGN ISSUES 0.1%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Lithuania Government International Bond		
1.100% due 04/26/2027	EUR 600	724
Total Lithuania (Cost $699)		**724**

LUXEMBOURG 0.2%

CORPORATE BONDS & NOTES 0.2%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Aroundtown S.A.		
1.625% due 01/31/2028	EUR 700	828
5.375% due 03/21/2029	$ 200	230
Blackstone Property Partners Europe Holdings SARL		
1.400% due 07/06/2022	EUR 400	457
Total Luxembourg (Cost $1,470)		**1,515**

MALAYSIA 1.8%

CORPORATE BONDS & NOTES 0.2%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Petronas Capital Ltd.		
3.404% due 04/28/2061	$ 400	413
3.500% due 04/21/2030	300	325
4.550% due 04/21/2050	200	248
4.800% due 04/21/2060	200	265
		1,251

SOVEREIGN ISSUES 1.6%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Malaysia Government International Bond		
3.502% due 05/31/2027	MYR 1,700	413
3.757% due 05/22/2040	1,000	230
3.828% due 07/05/2034	3,400	809
3.844% due 04/15/2033	1,400	337
3.906% due 07/15/2026	3,900	966
4.232% due 06/30/2031	700	176
4.254% due 05/31/2035	11,600	2,888
4.642% due 11/07/2033	1,000	258

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Malaysia Government Investment Issue			
4.119% due 11/30/2034	MYR	800	$ 196
4.130% due 07/09/2029		1,000	249
4.369% due 10/31/2028		17,800	4,514
4.724% due 06/15/2033		1,600	416
			11,452
Total Malaysia (Cost $12,376)			**12,703**
MULTINATIONAL 0.1%			
CORPORATE BONDS & NOTES 0.1%			
Preferred Term Securities Ltd.			
0.616% (US0003M + 0.400%) due 06/23/2035 ~	$	691	650
Total Multinational (Cost $540)			**650**
NETHERLANDS 0.3%			
CORPORATE BONDS & NOTES 0.3%			
Enel Finance International NV			
2.650% due 09/10/2024	$	1,300	1,340
ING Groep NV			
6.875% due 04/16/2022 •(f)(g)		400	407
Vonovia Finance BV			
5.000% due 10/02/2023		100	105
			1,852
		SHARES	
PREFERRED SECURITIES 0.0%			
Stichting AK Rabobank Certificaten			
6.500% due 12/29/2049 þ(f)		157,575	248
Total Netherlands (Cost $1,989)			**2,100**
		PRINCIPAL AMOUNT (000S)	
NEW ZEALAND 0.1%			
SOVEREIGN ISSUES 0.1%			
New Zealand Government International Bond			
1.500% due 05/15/2031	NZD	700	447
Total New Zealand (Cost $494)			**447**
NORWAY 0.1%			
CORPORATE BONDS & NOTES 0.1%			
DNB Boligkreditt A/S			
3.250% due 06/28/2023	$	500	518
Total Norway (Cost $500)			**518**
PERU 1.0%			
CORPORATE BONDS & NOTES 0.1%			
Banco de Credito del Peru			
4.650% due 09/17/2024	PEN	2,200	540
SOVEREIGN ISSUES 0.9%			
Peru Government International Bond			
2.780% due 12/01/2060	$	700	616
5.350% due 08/12/2040	PEN	1,100	236
5.940% due 02/12/2029		5,400	1,389
6.350% due 08/12/2028		15,200	4,013
			6,254
Total Peru (Cost $8,294)			**6,794**

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
QATAR 0.9%			
CORPORATE BONDS & NOTES 0.2%			
Qatar Energy			
1.375% due 09/12/2026	$	400	$ 393
2.250% due 07/12/2031		300	298
3.125% due 07/12/2041		400	405
3.300% due 07/12/2051		500	516
			1,612
SOVEREIGN ISSUES 0.7%			
Qatar Government International Bond			
3.375% due 03/14/2024		400	419
3.875% due 04/23/2023		3,800	3,954
4.400% due 04/16/2050		400	498
			4,871
Total Qatar (Cost $6,188)			**6,483**
ROMANIA 0.5%			
SOVEREIGN ISSUES 0.5%			
Romania Government International Bond			
1.375% due 12/02/2029	EUR	600	653
1.750% due 07/13/2030		700	746
2.000% due 04/14/2033		500	520
2.625% due 12/02/2040		400	407
2.875% due 04/13/2042		800	818
Total Romania (Cost $3,522)			**3,144**
SAUDI ARABIA 0.4%			
CORPORATE BONDS & NOTES 0.1%			
Saudi Arabian Oil Co.			
1.625% due 11/24/2025	$	500	498
2.750% due 04/16/2022		400	403
			901
SOVEREIGN ISSUES 0.3%			
Saudi Government International Bond			
4.000% due 04/17/2025		1,700	1,834
Total Saudi Arabia (Cost $2,592)			**2,735**
SERBIA 0.2%			
SOVEREIGN ISSUES 0.2%			
Serbia Government International Bond			
1.000% due 09/23/2028	EUR	500	541
2.050% due 09/23/2036		500	521
Total Serbia (Cost $1,148)			**1,062**
SINGAPORE 0.8%			
CORPORATE BONDS & NOTES 0.1%			
BOC Aviation Ltd.			
3.500% due 09/18/2027	$	300	317
PSA Treasury Pte Ltd.			
2.500% due 04/12/2026		400	414
			731
SOVEREIGN ISSUES 0.7%			
Singapore Government International Bond			
1.875% due 10/01/2051	SGD	2,100	1,484
2.750% due 04/01/2042		400	331
2.750% due 03/01/2046		100	83
2.875% due 09/01/2030		1,900	1,543
3.375% due 09/01/2033		1,900	1,631
			5,072
Total Singapore (Cost $5,769)			**5,803**

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
SLOVENIA 0.2%			
SOVEREIGN ISSUES 0.2%			
Slovenia Government International Bond			
5.250% due 02/18/2024	$	1,419	$ 1,546
Total Slovenia (Cost $1,450)			**1,546**
SOUTH AFRICA 0.1%			
SOVEREIGN ISSUES 0.1%			
South Africa Government International Bond			
4.850% due 09/30/2029	$	500	518
Total South Africa (Cost $500)			**518**
SOUTH KOREA 1.5%			
SOVEREIGN ISSUES 1.5%			
Korea Government International Bond			
2.125% due 06/10/2027	KRW	1,225,000	1,032
2.375% due 12/10/2027		1,350,000	1,152
2.375% due 12/10/2028		5,820,000	4,962
2.625% due 06/10/2028		2,450,000	2,119
5.500% due 03/10/2028		1,350,000	1,356
Korea Hydro & Nuclear Power Co. Ltd.			
3.750% due 07/25/2023	$	200	208
Total South Korea (Cost $11,472)			**10,829**
SPAIN 3.4%			
CORPORATE BONDS & NOTES 0.2%			
Banco Bilbao Vizcaya Argentaria S.A.			
5.875% due 09/24/2023 •(f)(g)	EUR	200	242
Banco Santander S.A.			
1.849% due 03/25/2026	$	400	399
3.848% due 04/12/2023		200	207
Merlin Properties Socimi S.A.			
2.225% due 04/25/2023	EUR	200	233
			1,081
		SHARES	
PREFERRED SECURITIES 0.3%			
Banco Santander S.A.			
4.125% due 11/12/2027 •(f)(g)		800,000	921
5.250% due 09/29/2023 •(f)(g)		600,000	717
CaixaBank S.A.			
5.875% due 10/09/2027 •(f)(g)		200,000	260
			1,898
		PRINCIPAL AMOUNT (000S)	
SOVEREIGN ISSUES 2.9%			
Autonomous Community of Catalonia			
4.220% due 04/26/2035	EUR	200	300
Spain Government International Bond			
0.250% due 07/30/2024		2,200	2,552
0.500% due 10/31/2031		1,000	1,132
0.850% due 07/30/2037		2,100	2,344
1.250% due 10/31/2030		1,400	1,708
1.400% due 07/30/2028		5,200	6,424
1.450% due 10/31/2071		1,600	1,590
3.450% due 07/30/2066		2,700	4,627
			20,677
Total Spain (Cost $23,483)			**23,656**
SUPRANATIONAL 0.1%			
CORPORATE BONDS & NOTES 0.1%			
European Investment Bank			
0.500% due 06/21/2023	AUD	500	363
0.500% due 08/10/2023		400	289
Total Supranational (Cost $732)			**652**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
SWITZERLAND 1.5%		
CORPORATE BONDS & NOTES 1.5%		
Credit Suisse AG		
6.500% due 08/08/2023 (g)	$ 200	$ 216
Credit Suisse Group AG		
1.398% (US0003M + 1.200%) due 12/14/2023 ~	800	806
2.193% due 06/05/2026 •	1,200	1,208
3.800% due 06/09/2023	800	829
3.869% due 01/12/2029 •	800	857
4.194% due 04/01/2031 •	1,200	1,325
4.282% due 01/09/2028	250	272
7.500% due 12/11/2023 •(f)(g)	300	325
UBS AG		
5.125% due 05/15/2024 (g)	1,318	1,413
7.625% due 08/17/2022 (g)	1,600	1,662
UBS Group AG		
5.750% due 02/19/2022 •(f)(g)	EUR 1,100	1,263
Total Switzerland (Cost $10,130)		**10,176**
UNITED ARAB EMIRATES 0.1%		
CORPORATE BONDS & NOTES 0.0%		
First Abu Dhabi Bank PJSC		
3.000% due 03/30/2022	$ 200	201
SOVEREIGN ISSUES 0.1%		
Emirate of Abu Dhabi Government International Bond		
3.875% due 04/16/2050	300	350
Total United Arab Emirates (Cost $489)		**551**
UNITED KINGDOM 10.7%		
CORPORATE BONDS & NOTES 5.6%		
Annington Funding PLC		
1.650% due 07/12/2024	EUR 800	943
Barclays Bank PLC		
7.625% due 11/21/2022 (g)	$ 3,300	3,482
Barclays PLC		
1.586% (US0003M + 1.430%) due 02/15/2023 ~	700	701
3.650% due 03/16/2025	400	423
4.375% due 03/15/2028 •(f)(g)	200	196
4.610% due 02/15/2023 •	600	603
4.836% due 05/09/2028	1,000	1,102
5.088% due 06/20/2030 •	1,000	1,135
7.125% due 06/15/2025 •(f)(g)	GBP 500	747
7.250% due 03/15/2023 •(f)(g)	700	993
8.000% due 06/15/2024 •(f)(g)	$ 400	443
HSBC Holdings PLC		
1.145% (BBSW3M + 1.100%) due 02/16/2024 ~	AUD 2,300	1,686
1.160% (US0003M + 1.000%) due 05/18/2024 ~	$ 300	303
1.750% due 07/24/2027 •	GBP 700	936
3.803% due 03/11/2025 •	$ 1,100	1,155
4.041% due 03/13/2028 •	1,000	1,082
4.583% due 06/19/2029 •	800	897
4.750% due 07/04/2029 •(f)(g)	EUR 200	250
5.875% due 09/28/2026 •(f)(g)	GBP 300	439
6.500% due 03/23/2028 •(f)(g)	$ 700	772
Lloyds Bank PLC		
4.875% due 03/30/2027	GBP 500	805
5.125% due 03/07/2025	700	1,065
Lloyds Banking Group PLC		
3.500% due 04/01/2026 •	EUR 300	378
3.574% due 11/07/2028 •	$ 200	214
3.900% due 11/23/2023	AUD 800	610
4.582% due 12/10/2025	$ 500	546
4.650% due 03/24/2026	600	661
5.125% due 12/27/2024 •(f)(g)	GBP 500	704
7.625% due 06/27/2023 •(f)(g)	1,000	1,450
Marks & Spencer PLC		
3.750% due 05/19/2026	500	692

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Nationwide Building Society		
3.766% due 03/08/2024 •	$ 1,200	$ 1,236
Natwest Group PLC		
3.875% due 09/12/2023	300	313
4.445% due 05/08/2030 •	500	562
4.600% due 06/28/2031 •(f)(g)	200	197
5.125% due 05/12/2027 •(f)(g)	GBP 400	569
6.000% due 12/29/2025 •(f)(g)	$ 800	877
8.000% due 08/10/2025 •(f)(g)	500	581
NatWest Markets PLC		
0.625% due 03/02/2022	EUR 300	342
1.000% due 05/28/2024	800	933
Reckitt Benckiser Treasury Services PLC		
2.375% due 06/24/2022	$ 600	605
Rolls-Royce PLC		
5.750% due 10/15/2027	GBP 400	603
Santander UK Group Holdings PLC		
4.796% due 11/15/2024 •	$ 2,400	2,548
7.375% due 06/24/2022 •(f)(g)	GBP 200	277
Santander UK PLC		
0.678% (SONIO/N + 0.550%) due 02/12/2027 ~	500	686
Standard Chartered PLC		
0.991% due 01/12/2025 •	$ 1,200	1,188
1.456% due 01/14/2027 •	1,200	1,163
Tesco PLC		
6.125% due 02/24/2022	GBP 50	68
Tesco Property Finance PLC		
5.411% due 07/13/2044	186	320
5.661% due 10/13/2041	98	172
Virgin Media Secured Finance PLC		
5.000% due 04/15/2027	500	698
		39,351
NON-AGENCY MORTGAGE-BACKED SECURITIES 3.7%		
Avon Finance PLC		
0.948% due 09/20/2048 •	911	1,237
Business Mortgage Finance PLC		
2.102% due 02/15/2041 •	95	129
Eurohome UK Mortgages PLC		
0.248% due 06/15/2044 •	247	329
Eurosail PLC		
1.045% due 06/13/2045 •	321	435
Finsbury Square PLC		
0.849% due 03/16/2070 •	879	1,192
1.045% due 09/12/2068 •	332	449
Harben Finance PLC		
0.914% due 08/20/2056 •	780	1,056
Hawksmoor Mortgage Funding PLC		
1.100% due 05/25/2053 •	786	1,068
Hawksmoor Mortgages		
1.100% due 05/25/2053 •	1,430	1,941
Mansard Mortgages PLC		
0.748% due 12/15/2049 •	103	139
Newgate Funding PLC		
0.267% due 12/01/2050 •	224	294
1.098% due 12/15/2050 •	194	260
Precise Mortgage Funding PLC		
1.249% due 12/12/2055 •	1,200	1,640
Residential Mortgage Securities PLC		
1.298% due 06/20/2070 •	808	1,104
Ripon Mortgages PLC		
0.914% due 08/20/2056 •	2,580	3,496
RMAC PLC		
0.795% due 06/12/2046 •	1,823	2,468
RMAC Securities PLC		
0.245% due 06/12/2044 •	349	459
Stratton Mortgage Funding PLC		
0.950% due 07/20/2060 •	1,994	2,706
Towd Point Mortgage Funding		
0.950% due 07/20/2045 •	1,856	2,517
Towd Point Mortgage Funding PLC		
1.236% due 10/20/2051 •	960	1,309

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Trinity Square PLC		
0.900% due 07/15/2059 •	GBP 1,061	$ 1,441
		25,669
	SHARES	
PREFERRED SECURITIES 0.0%		
Nationwide Building Society		
10.250% ~	960	249
	PRINCIPAL AMOUNT (000S)	
SOVEREIGN ISSUES 1.4%		
United Kingdom Gilt		
0.625% due 10/22/2050	GBP 1,600	1,904
1.500% due 07/31/2053	1,100	1,646
1.750% due 01/22/2049	1,300	2,007
3.250% due 01/22/2044	900	1,703
4.250% due 12/07/2040	1,200	2,474
		9,734
Total United Kingdom (Cost $72,181)		**75,003**
UNITED STATES 31.1%		
ASSET-BACKED SECURITIES 5.1%		
A10 Bridge Asset Financing LLC		
2.021% due 08/15/2040	$ 748	749
ACE Securities Corp. Home Equity Loan Trust		
0.382% due 07/25/2036 •	1,125	954
Amortizing Residential Collateral Trust		
0.802% due 10/25/2031 •	1	1
AMRESCO Residential Securities Corp. Mortgage Loan Trust		
1.042% due 06/25/2029 •	1	1
Argent Mortgage Loan Trust		
0.582% due 05/25/2035 •	1,199	1,140
Argent Securities, Inc. Asset-Backed Pass-Through Certificates		
0.862% due 02/25/2036 •	1,429	1,326
Citigroup Mortgage Loan Trust		
0.262% due 12/25/2036 •	443	297
0.622% due 03/25/2036 •	418	411
Citigroup Mortgage Loan Trust, Inc.		
0.362% due 06/25/2037 •	2,700	2,675
1.092% due 07/25/2035 •	1,200	1,196
Countrywide Asset-Backed Certificates		
0.242% due 06/25/2035 •	273	264
0.242% due 06/25/2037 •	351	336
0.242% due 07/25/2037 •	246	238
0.242% due 06/25/2047 ^•	279	269
0.242% due 06/25/2047 •	871	844
0.252% due 04/25/2047 ^•	87	86
0.362% due 12/25/2036 ^•	301	301
0.382% due 03/25/2037 •	1,275	1,314
4.628% due 08/25/2035 ^~	195	191
Countrywide Asset-Backed Certificates Trust		
1.442% due 04/25/2035 •	716	717
Credit Suisse First Boston Mortgage Securities Corp.		
0.722% due 01/25/2032 •	1	1
First Franklin Mortgage Loan Trust		
0.217% due 07/25/2036 •	745	721
GSAMP Trust		
0.747% due 11/25/2035 ^•	1,238	1,195
0.822% due 11/25/2035 •	1,000	938
Home Equity Mortgage Loan Asset-Backed Trust		
0.342% due 04/25/2037 •	475	380
HSI Asset Securitization Corp. Trust		
0.362% due 04/25/2037 •	677	441
LL ABS Trust		
1.070% due 05/15/2029	1,096	1,090
Long Beach Mortgage Loan Trust		
0.662% due 10/25/2034 •	12	12

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Merrill Lynch Mortgage Investors Trust		
0.402% due 08/25/2037 •	$ 1,142	$ 741
Morgan Stanley ABS Capital, Inc. Trust		
0.232% due 10/25/2036 •	113	107
Morgan Stanley Home Equity Loan Trust		
0.202% due 12/25/2036 •	843	521
0.332% due 04/25/2037 •	707	468
Morgan Stanley Mortgage Loan Trust		
5.919% due 09/25/2046 ^þ	142	51
Nomura Home Equity Loan, Inc. Home Equity Loan Trust		
0.537% due 03/25/2036 •	549	547
NovaStar Mortgage Funding Trust		
0.232% due 03/25/2037 •	603	468
Option One Mortgage Loan Trust		
0.242% due 01/25/2037 •	356	273
Renaissance Home Equity Loan Trust		
2.652% due 12/25/2032 •	143	143
5.294% due 01/25/2037 þ	640	309
5.675% due 06/25/2037 ^þ	1,053	416
5.731% due 11/25/2036 þ	970	496
Residential Asset Mortgage Products Trust		
0.542% due 12/25/2035 •	260	247
0.562% due 12/25/2035 •	771	717
Residential Asset Securities Corp. Trust		
0.352% due 11/25/2036 ^•	1,980	1,962
Saxon Asset Securities Trust		
1.852% due 12/25/2037 •	331	329
Soundview Home Loan Trust		
0.252% due 06/25/2037 •	67	57
0.602% due 11/25/2036 •	1,371	1,350
Structured Asset Investment Loan Trust		
0.233% due 07/25/2036 •	370	307
0.722% due 01/25/2036 •	860	848
Terwin Mortgage Trust		
1.042% due 11/25/2033 •	17	16
Towd Point Mortgage Trust		
1.102% due 05/25/2058 •	514	516
1.636% due 04/25/2060 ~	1,011	1,006
2.710% due 01/25/2060 ~	947	962
2.900% due 10/25/2059 ~	3,202	3,268
Toyota Auto Loan Extended Note Trust		
2.560% due 11/25/2031	1,400	1,446
		35,659

CORPORATE BONDS & NOTES 5.8%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
7-Eleven, Inc.		
0.625% due 02/10/2023	1,600	1,594
0.800% due 02/10/2024	200	198
American Airlines Pass-Through Trust		
3.000% due 04/15/2030	232	231
American Tower Corp.		
2.950% due 01/15/2025	800	831
Bayer U.S. Finance LLC		
1.213% (US0003M + 1.010%) due 12/15/2023 ~	500	504
3.875% due 12/15/2023	300	314
4.250% due 12/15/2025	300	325
4.375% due 12/15/2028	700	783
Boeing Co.		
1.950% due 02/01/2024	100	101
2.750% due 02/01/2026	1,800	1,853
3.250% due 02/01/2028	400	417
Broadcom, Inc.		
2.450% due 02/15/2031	400	393
2.600% due 02/15/2033	300	293
3.469% due 04/15/2034	300	314
Campbell Soup Co.		
3.650% due 03/15/2023	229	236
Charles Schwab Corp.		
0.750% due 03/18/2024	200	199
Charter Communications Operating LLC		
3.750% due 02/15/2028	100	107

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
3.950% due 06/30/2062	$ 900	$ 869
4.464% due 07/23/2022	1,300	1,319
D.R. Horton, Inc.		
5.750% due 08/15/2023	1,300	1,381
Dell International LLC		
6.100% due 07/15/2027	1,100	1,313
6.200% due 07/15/2030	200	253
Duke Energy Corp.		
0.851% (US0003M + 0.650%) due 03/11/2022 ~	1,300	1,301
Equitable Holdings, Inc.		
3.900% due 04/20/2023	65	67
Fidelity National Information Services, Inc.		
0.750% due 05/21/2023	EUR 300	345
1.700% due 06/30/2022	GBP 200	272
Ford Motor Credit Co. LLC		
0.000% due 12/07/2022 •	EUR 200	227
0.167% due 11/15/2023 •	100	113
1.744% due 07/19/2024	400	464
2.748% due 06/14/2024	GBP 400	546
3.087% due 01/09/2023	$ 600	611
3.350% due 11/01/2022	700	710
3.370% due 11/17/2023	600	620
3.375% due 11/13/2025	400	416
3.810% due 01/09/2024	200	208
4.000% due 11/13/2030	200	216
4.375% due 08/06/2023	600	625
4.535% due 03/06/2025	GBP 500	716
General Motors Financial Co., Inc.		
3.550% due 07/08/2022	$ 700	710
Goldman Sachs Group, Inc.		
1.625% due 07/27/2026	EUR 800	962
Goodman U.S. Finance Three LLC		
3.700% due 03/15/2028	$ 600	648
Hyatt Hotels Corp.		
1.300% due 10/01/2023	300	300
Kilroy Realty LP		
3.450% due 12/15/2024	100	105
Morgan Stanley		
0.780% (CDOR03 + 0.300%) due 02/03/2023 ~(h)	CAD 3,300	2,610
MPT Operating Partnership LP		
2.500% due 03/24/2026	GBP 900	1,216
NextEra Energy Capital Holdings, Inc.		
0.898% (US0003M + 0.720%) due 02/25/2022 ~	$ 800	801
Nissan Motor Acceptance Co. LLC		
0.910% due 09/28/2022 •	1,000	1,001
2.450% due 09/15/2028	500	486
Oracle Corp.		
2.875% due 03/25/2031 (h)	2,300	2,316
3.950% due 03/25/2051 (h)	300	312
4.100% due 03/25/2061 (h)	100	105
Organon & Co.		
5.125% due 04/30/2031	400	419
Pacific Gas & Electric Co.		
2.100% due 08/01/2027	100	97
2.950% due 03/01/2026	100	102
3.450% due 07/01/2025	100	104
4.000% due 12/01/2046	100	97
4.550% due 07/01/2030	200	216
Penske Truck Leasing Co. LP		
3.950% due 03/10/2025	1,400	1,493
SL Green Operating Partnership LP		
3.250% due 10/15/2022	500	508
Southern California Edison Co.		
0.690% (SOFRINDX + 0.640%) due 04/03/2023 ~	500	501
0.880% (SOFRRATE + 0.830%) due 04/01/2024 ~	100	100
1.100% due 04/01/2024	300	299
Spirit AeroSystems, Inc.		
3.950% due 06/15/2023	600	605
Sprint Spectrum Co. LLC		
4.738% due 09/20/2029	244	255

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Walt Disney Co.		
3.500% due 05/13/2040	$ 100	$ 110
3.600% due 01/13/2051	200	227
West Virginia United Health System Obligated Group		
3.129% due 06/01/2050	800	790
Zimmer Biomet Holdings, Inc.		
3.150% due 04/01/2022	2,100	2,104
		40,884

LOAN PARTICIPATIONS AND ASSIGNMENTS 0.3%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Avolon TLB Borrower 1 (U.S.) LLC		
2.750% (LIBOR03M + 2.250%) due 12/01/2027 ~	1,191	1,194
CenturyLink, Inc.		
2.354% (LIBOR03M + 2.250%) due 03/15/2027 ~	378	374
Charter Communications Operating LLC		
1.860% (LIBOR03M + 1.750%) due 02/01/2027 ~	568	563
		2,131

MUNICIPAL BONDS & NOTES 0.1%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Golden State, California Tobacco Securitization Corp. Revenue Notes, Series 2021		
2.158% due 06/01/2026	600	604

NON-AGENCY MORTGAGE-BACKED SECURITIES 5.1%

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
American Home Mortgage Investment Trust		
1.746% due 09/25/2045 •	2	2
AREIT Trust		
1.190% due 07/17/2026 •	1,700	1,702
Banc of America Mortgage Trust		
2.684% due 02/25/2036 ^~	25	25
Bear Stearns Adjustable Rate Mortgage Trust		
2.478% due 08/25/2033 ~	1	1
Bear Stearns ALT-A Trust		
0.422% due 02/25/2034 •	22	22
2.785% due 11/25/2035 ^~	15	13
2.868% due 09/25/2035 ^~	14	11
3.294% due 03/25/2036 ^~	80	69
3.398% due 08/25/2036 ^~	27	17
Bear Stearns Structured Products, Inc. Trust		
2.511% due 12/26/2046 ^~	15	14
Chase Mortgage Finance Trust		
3.153% due 07/25/2037 ~	26	24
Citigroup Mortgage Loan Trust		
2.500% due 05/25/2051 ~	871	871
Citigroup Mortgage Loan Trust, Inc.		
0.452% due 10/25/2035 •	1,170	688
2.190% due 09/25/2035 •	2	2
Citigroup Mortgage Loan Trust, Inc. Mortgage Pass-Through Certificates		
2.226% due 09/25/2035 ^~	113	109
Countrywide Alternative Loan Trust		
0.524% due 03/20/2046 •	38	32
0.542% due 11/25/2035 •	7	7
0.662% due 02/25/2037 •	29	26
1.082% due 12/25/2035 •	28	26
5.250% due 06/25/2035 ^	4	4
Countrywide Home Loan Mortgage Pass-Through Trust		
0.562% due 05/25/2035 •	15	13
0.742% due 03/25/2035 •	24	21
0.762% due 02/25/2035 •	4	4
2.673% due 11/25/2034 ~	3	3
3.008% due 08/25/2034 ^~	2	2
5.500% due 01/25/2035	229	235
Credit Suisse Mortgage Capital Mortgage-Backed Trust		
5.500% due 08/25/2036 ^	895	793
5.863% due 02/25/2037 ^~	157	50
DBUBS Mortgage Trust		
0.735% due 11/10/2046 ~(a)	34	0

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Deutsche ALT-A Securities, Inc. Mortgage Loan Trust		
0.853% due 10/25/2047 •	$ 594	$ 558
Extended Stay America Trust		
1.190% due 07/15/2038 •	1,592	1,596
GS Mortgage-Backed Securities Trust		
2.500% due 12/25/2051 ~	384	385
2.500% due 01/25/2052 ~	1,646	1,650
2.500% due 02/25/2052 ~	775	781
2.500% due 04/25/2052 ~	494	494
GSR Mortgage Loan Trust		
0.432% due 12/25/2034 •	17	17
2.362% due 04/25/2035 ~	35	37
2.873% due 01/25/2036 ^~	20	20
Homeward Opportunities Fund Trust		
1.657% due 05/25/2065 ~	416	416
IndyMac INDX Mortgage Loan Trust		
0.522% due 05/25/2046 •	294	285
0.582% due 07/25/2035 •	11	11
JP Morgan Mortgage Trust		
2.688% due 02/25/2036 ^~	13	11
2.889% due 07/27/2037 ~	43	42
3.000% due 01/25/2052 ~	3,374	3,469
3.000% due 02/25/2052 «	3,100	3,162
3.000% due 05/25/2052 «~	5,100	5,083
Manhattan West Mortgage Trust		
2.130% due 09/10/2039	1,400	1,397
Mellon Residential Funding Corp. Mortgage Pass-Through Trust		
0.550% due 12/15/2030 •	2	2
MFA Trust		
1.381% due 04/25/2065 ~	986	983
1.947% due 04/25/2065 ~	358	359
Morgan Stanley Bank of America Merrill Lynch Trust		
0.907% due 12/15/2048 ~(a)	818	6
Morgan Stanley Capital Trust		
1.279% due 12/15/2023 •	1,700	1,703
Morgan Stanley Mortgage Loan Trust		
1.976% due 06/25/2036 ~	14	15
New Residential Mortgage Loan Trust		
2.750% due 07/25/2059 ~	1,120	1,142
2.750% due 11/25/2059 ~	930	947
One New York Plaza Trust		
1.060% due 01/15/2036 •	1,600	1,599
Residential Accredit Loans, Inc. Trust		
0.252% due 02/25/2047 •	22	11
0.462% due 06/25/2046 •	236	73
0.522% due 04/25/2046 •	389	146
1.010% due 10/25/2037 ~	188	186
6.000% due 06/25/2036	444	438
Structured Adjustable Rate Mortgage Loan Trust		
2.284% due 04/25/2034 ~	1	1
Structured Asset Mortgage Investments Trust		
0.322% due 09/25/2047 •	64	59
0.522% due 05/25/2036 •	6	6
0.542% due 05/25/2036 •	47	46
0.562% due 05/25/2045 •	11	10
0.684% due 07/19/2034 •	1	1
0.764% due 09/19/2032 •	1	1
0.804% due 03/19/2034 •	2	2
1.582% due 08/25/2047 ^•	22	22
Structured Asset Securities Corp.		
0.382% due 01/25/2036 •	195	185
Structured Asset Securities Corp. Mortgage Loan Trust		
0.392% due 10/25/2036 •	392	358
TBW Mortgage-Backed Trust		
6.470% due 09/25/2036 ^þ	189	11
Thornburg Mortgage Securities Trust		
1.811% due 06/25/2047 ^•	16	14
1.811% due 06/25/2047 •	1	1
UWM Mortgage Trust		
2.500% due 11/25/2051 ~	2,177	2,177
2.500% due 12/25/2051 ~	100	99
3.000% due 01/25/2052 ~	600	610
Wachovia Mortgage Loan Trust LLC		
2.225% due 10/20/2035 ^~	27	28

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
WaMu Mortgage Pass-Through Certificates Trust		
0.722% due 01/25/2045 •	$ 39	$ 39
1.062% due 06/25/2046 •	20	20
1.082% due 02/25/2046 •	43	44
1.475% due 02/27/2034 •	2	2
2.353% due 03/25/2033 ~	5	5
2.381% due 12/25/2036 ^~	99	95
2.725% due 03/25/2035 ~	16	17
2.831% due 04/25/2035 ~	15	15
Washington Mutual Mortgage Pass-Through Certificates Trust		
1.022% due 07/25/2046 ^•	17	12
		35,690
	SHARES	
PREFERRED SECURITIES 0.5%		
AT&T, Inc.		
2.875% due 03/02/2025 •(f)	300,000	343
Bank of America Corp.		
5.875% due 03/15/2028 •(f)	700,000	780
Charles Schwab Corp.		
5.375% due 06/01/2025 •(f)	500,000	546
Goldman Sachs Group, Inc.		
3.800% due 05/10/2026 •(f)	400,000	399
Wells Fargo & Co.		
3.900% due 03/15/2026 •(f)	1,500,000	1,542
		3,610
	PRINCIPAL AMOUNT (000S)	
U.S. GOVERNMENT AGENCIES 10.0%		
Fannie Mae		
0.222% due 03/25/2034 •	$ 1	1
0.252% due 08/25/2034 •	1	1
0.442% due 09/25/2042 •	9	9
0.502% due 06/25/2036 •	12	12
1.284% due 10/01/2044 •	6	6
1.641% due 12/01/2034 •	1	1
1.905% due 05/25/2035 ~	3	4
2.423% due 11/01/2034 •	10	11
3.000% due 03/01/2060	726	770
3.500% due 01/01/2059	1,341	1,453
6.000% due 07/25/2044	5	6
Freddie Mac		
0.436% due 01/15/2038 •	182	182
0.610% due 12/15/2032 •	2	3
0.710% due 12/15/2037 •	4	4
1.282% due 10/25/2044 •	20	21
1.886% due 01/15/2038 ~(a)	182	11
2.000% due 03/01/2035 •	3	3
2.073% due 04/01/2035 •	11	11
Ginnie Mae		
0.881% due 05/20/2066 - 06/20/2066 •	2,761	2,796
0.931% due 11/20/2066 •	472	479
1.875% due 04/20/2028 - 06/20/2030 •	1	1
2.000% due 04/20/2030 - 05/20/2030 •	1	0
3.000% due 07/20/2046 - 05/20/2047	27	27
Uniform Mortgage-Backed Security		
2.500% due 02/01/2051	709	728
3.000% due 10/01/2049 - 06/01/2051	2,005	2,113
3.500% due 10/01/2034 - 07/01/2050	1,623	1,721
4.000% due 06/01/2050	646	688
Uniform Mortgage-Backed Security, TBA		
2.500% due 01/01/2052	6,100	6,224
3.500% due 03/01/2052	600	630
4.000% due 02/01/2052	49,000	52,095
		70,011

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
U.S. TREASURY OBLIGATIONS 4.2%		
U.S. Treasury Bonds		
1.375% due 11/15/2040	$ 2,400	$ 2,188
1.875% due 02/15/2041	700	693
U.S. Treasury Inflation Protected Securities (e)		
0.500% due 01/15/2028	9,981	11,174
3.875% due 04/15/2029	841	1,173
U.S. Treasury Notes		
0.625% due 05/15/2030	3,300	3,086
2.875% due 04/30/2025 (l)(n)	10,600	11,231
		29,545
Total United States (Cost $213,699)		**218,134**
SHORT-TERM INSTRUMENTS 2.5%		
COMMERCIAL PAPER 0.5%		
Samhallsbyggnadsbolaget i Norden AB		
0.000% due 01/13/2022	EUR 3,200	3,644
REPURCHASE AGREEMENTS (i) 0.0%		
		252
ISRAEL TREASURY BILLS 2.0%		
(0.024)% due 02/02/2022 - 12/07/2022 (c)(d)	ILS 42,600	13,701
Total Short-Term Instruments (Cost $17,089)		**17,597**
Total Investments in Securities (Cost $739,696)		**751,193**
	SHARES	
INVESTMENTS IN AFFILIATES 2.8%		
SHORT-TERM INSTRUMENTS 2.8%		
CENTRAL FUNDS USED FOR CASH MANAGEMENT PURPOSES 2.8%		
PIMCO Short Asset Portfolio	30,233	302
PIMCO Short-Term Floating NAV Portfolio III	2,022,173	19,651
Total Short-Term Instruments (Cost $20,227)		**19,953**
Total Investments in Affiliates (Cost $20,227)		**19,953**
Total Investments 109.8% (Cost $759,923)		**$ 771,146**
Financial Derivative Instruments (k)(m) (0.4)% (Cost or Premiums, net $2,022)		**(3,302)**
Other Assets and Liabilities, net (9.4)%		**(65,790)**
Net Assets 100.0%		**$ 702,054**

NOTES TO SCHEDULE OF INVESTMENTS:

- * A zero balance may reflect actual amounts rounding to less than one thousand.
- ^ Security is in default.
- « Security valued using significant unobservable inputs (Level 3).
- ~ Variable or Floating rate security. Rate shown is the rate in effect as of period end. Certain variable rate securities are not based on a published reference rate and spread, rather are determined by the issuer or agent and are based on current market conditions. Reference rate is as of reset date, which may vary by security. These securities may not indicate a reference rate and/or spread in their description.
- • Rate shown is the rate in effect as of period end. The rate may be based on a fixed rate, a capped rate or a floor rate and may convert to a variable or floating rate in the future. These securities do not indicate a reference rate and spread in their description.
- þ Coupon represents a rate which changes periodically based on a predetermined schedule or event. Rate shown is the rate in effect as of period end.
- (a) Security is an Interest Only ("IO") or IO Strip.
- (b) Payment in-kind security.
- (c) Coupon represents a weighted average yield to maturity.
- (d) Zero coupon security.
- (e) Principal amount of security is adjusted for inflation.
- (f) Perpetual maturity; date shown, if applicable, represents next contractual call date.
- (g) Contingent convertible security.

(h) RESTRICTED SECURITIES:

Issuer Description	Coupon	Maturity Date	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
Deutsche Bank AG	3.729%	01/14/2032	01/11/2021	$ 1,100	$ 1,126	0.16%
Morgan Stanley	0.780	02/03/2023	01/30/2020	2,502	2,610	0.37
Oracle Corp.	2.875	03/25/2031	03/22/2021	2,297	2,316	0.33
Oracle Corp.	3.950	03/25/2051	03/22/2021	299	312	0.04
Oracle Corp.	4.100	03/25/2061	03/22/2021	100	105	0.02
				$ 6,298	$ 6,469	0.92%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(i) REPURCHASE AGREEMENTS:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received
FICC	0.000%	12/31/2021	01/03/2022	$ 252	U.S. Treasury Notes 1.250% due 09/30/2028	$ (257)	$ 252	$ 252
Total Repurchase Agreements						**$ (257)**	**$ 252**	**$ 252**

REVERSE REPURCHASE AGREEMENTS:

Counterparty	Borrowing Rate(1)	Settlement Date	Maturity Date	Amount Borrowed(1)	Payable for Reverse Repurchase Agreements
MYI	(0.720)%	11/22/2021	02/14/2022	EUR (11,538)	$ (13,125)
Total Reverse Repurchase Agreements					**$ (13,125)**

SHORT SALES:

Description	Coupon	Maturity Date	Principal Amount	Proceeds	Payable for Short Sales
United States (17.3)%					
U.S. Government Agencies (17.3)%					
Uniform Mortgage-Backed Security, TBA	2.000%	02/01/2037	$ 9,300	$ (9,477)	$ (9,507)
Uniform Mortgage-Backed Security, TBA	2.000	02/01/2052	58,750	(58,428)	(58,443)
Uniform Mortgage-Backed Security, TBA	2.500	01/01/2052	11,200	(11,533)	(11,428)
Uniform Mortgage-Backed Security, TBA	2.500	02/01/2052	31,500	(32,073)	(32,060)
Uniform Mortgage-Backed Security, TBA	3.000	03/01/2052	9,200	(9,496)	(9,510)
Uniform Mortgage-Backed Security, TBA	3.500	01/01/2037	400	(424)	(421)
Total Short Sales (17.3)%				**$ (121,431)**	**$ (121,369)**

BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral pledged/(received) as of December 31, 2021:

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral Pledged/(Received)	Net Exposure[2]
Global/Master Repurchase Agreement						
FICC	$ 252	$ 0	$ 0	$ 252	$ (257)	$ (5)
MYI	0	(13,125)	0	(13,125)	13,010	(115)
Total Borrowings and Other Financing Transactions	**$ 252**	**$ (13,125)**	**$ 0**			

CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS

Remaining Contractual Maturity of the Agreements

	Overnight and Continuous	Up to 30 days	31-90 days	Greater Than 90 days	Total
Reverse Repurchase Agreements					
Sovereign Issues	$ 0	$ 0	$ (13,125)	$ 0	$ (13,125)
Total Borrowings	**$ 0**	**$ 0**	**$ (13,125)**	**$ 0**	**$ (13,125)**
Payable for reverse repurchase agreements					**$ (13,125)**

(j) Securities with an aggregate market value of $13,010 have been pledged as collateral under the terms of the above master agreements as of December 31, 2021.

[1] The average amount of borrowings outstanding during the period ended December 31, 2021 was $(22,694) at a weighted average interest rate of (0.327%). Average borrowings may include reverse repurchase agreements and sale-buyback transactions, if held during the period.

[2] Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

(k) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED

FUTURES CONTRACTS:

LONG FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin	
					Asset	Liability
90-Day Eurodollar March Futures	03/2022	12	$ 2,990	$ (5)	$ 0	$ 0
Australia Government 3-Year Note March Futures	03/2022	242	20,098	16	0	(48)
Euro-BTP Italy Government Bond March Futures	03/2022	320	53,559	(687)	0	(80)
Euro-Buxl 30-Year Bond March Futures	03/2022	9	2,118	(87)	0	(3)
Euro-Schatz March Futures	03/2022	550	70,150	(86)	3	0
U.S. Treasury 10-Year Note March Futures	03/2022	232	30,269	157	15	0
U.S. Treasury Ultra Long-Term Bond March Futures	03/2022	9	1,774	25	14	0
				$ (667)	$ 32	$ (131)

SHORT FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin	
					Asset	Liability
Australia Government 10-Year Bond March Futures	03/2022	6	$ (608)	$ 0	$ 6	$ 0
Canada Government 10-Year Bond March Futures	03/2022	98	(11,049)	(153)	0	(20)
Euro-Bobl March Futures	03/2022	377	(57,189)	317	17	0
Euro-Bund 10-Year Bond March Futures	03/2022	293	(57,166)	1,001	47	0
Euro-OAT France Government 10-Year Bond March Futures	03/2022	99	(18,389)	252	17	0
Japan Government 10-Year Bond March Futures	03/2022	7	(9,225)	18	16	0
U.S. Treasury 2-Year Note March Futures	03/2022	413	(90,105)	44	0	(19)
U.S. Treasury 5-Year Note March Futures	03/2022	28	(3,387)	(3)	0	(2)
U.S. Treasury 10-Year Ultra Long-Term Bond March Futures	03/2022	32	(4,686)	9	0	(9)
U.S. Treasury 30-Year Bond March Futures	03/2022	23	(3,690)	(24)	0	(13)
United Kingdom Long Gilt March Futures	03/2022	78	(13,187)	218	0	(42)
				$ 1,679	$ 103	$ (105)
Total Futures Contracts				**$ 1,012**	**$ 135**	**$ (236)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION(1)

Reference Entity	Fixed Receive Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2021(3)	Notional Amount(4)	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value(5)	Variation Margin Asset	Variation Margin Liability
Auchan Holding S.A.	1.000%	Quarterly	12/20/2027	1.059%	EUR 1,100	$ (65)	$ 61	$ (4)	$ 0	$ (1)
Barclays Bank PLC	1.000	Quarterly	12/20/2022	0.248	300	2	1	3	0	0
Berkshire Hathaway, Inc.	1.000	Quarterly	12/20/2022	0.082	$ 700	13	(6)	7	0	0
British Telecommunications PLC	1.000	Quarterly	06/20/2028	1.504	EUR 1,000	(6)	(30)	(36)	0	(1)
General Motors Co.	5.000	Quarterly	12/20/2026	0.975	$ 300	60	(2)	58	1	0
Jaguar Land Rover Automotive	5.000	Quarterly	06/20/2026	3.521	EUR 800	53	4	57	0	0
Shell International Finance BV	1.000	Quarterly	12/20/2026	0.349	500	18	1	19	0	0
Tesco PLC	1.000	Quarterly	06/20/2022	0.124	800	0	4	4	0	0
Tesco PLC	1.000	Quarterly	06/20/2025	0.463	400	(13)	22	9	0	0
						$ 62	$ 55	$ 117	$ 1	$ (2)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - BUY PROTECTION(2)

Index/Tranches	Fixed (Pay) Rate	Payment Frequency	Maturity Date	Notional Amount(4)	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value(5)	Variation Margin Asset	Variation Margin Liability
CDX.HY-36 5-Year Index	(5.000)%	Quarterly	06/20/2026	$ 4,100	$ (391)	$ 11	$ (380)	$ 0	$ (7)
CDX.IG-33 10-Year Index	(1.000)	Quarterly	12/20/2029	1,600	7	(21)	(14)	0	(1)
CDX.IG-35 5-Year Index	(1.000)	Quarterly	12/20/2025	900	(22)	0	(22)	0	0
CDX.IG-35 10-Year Index	(1.000)	Quarterly	12/20/2030	19,300	(119)	(176)	(295)	0	(12)
CDX.IG-37 10-Year Index	(1.000)	Quarterly	12/20/2031	23,500	(142)	(97)	(239)	0	(16)
iTraxx Europe Main 31 10-Year Index	(1.000)	Quarterly	06/20/2029	EUR 9,100	(66)	(148)	(214)	0	(10)
					$ (733)	$ (431)	$ (1,164)	$ 0	$ (46)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION(1)

Index/Tranches	Fixed Receive Rate	Payment Frequency	Maturity Date	Notional Amount(4)	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value(5)	Variation Margin Asset	Variation Margin Liability
CDX.IG-37 5-Year Index	1.000%	Quarterly	12/20/2026	$14,700	$ 344	$ 21	$ 365	$ 6	$ 0

INTEREST RATE SWAPS - BASIS SWAPS

Pay Floating Rate Index	Receive Floating Rate Index	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.091%	Quarterly	03/18/2022	$ 132,700	$ (1)	$ 1	$ 0	$ 0	$ 0
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.084%	Quarterly	04/26/2022	30,400	0	(6)	(6)	0	(2)
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.084%	Quarterly	06/12/2022	5,100	0	(1)	(1)	0	0
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.070%	Quarterly	06/12/2022	3,900	0	0	0	0	0
3-Month USD-LIBOR	01-Month USD-LIBOR + 0.085%	Quarterly	06/19/2022	19,800	(1)	(1)	(2)	0	(1)
3-Month USD-LIBOR(6)	01-Month USD-LIBOR + 0.073%	Quarterly	04/27/2023	17,000	0	(1)	(1)	0	0
3-Month USD-LIBOR(6)	01-Month USD-LIBOR + 0.070%	Quarterly	03/07/2024	4,300	0	1	1	0	(1)
3-Month USD-LIBOR(6)	01-Month USD-LIBOR + 0.088%	Quarterly	09/06/2024	12,700	1	4	5	0	0
3-Month USD-LIBOR(6)	01-Month USD-LIBOR + 0.105%	Quarterly	09/27/2024	12,700	0	2	2	0	0
3-Month USD-LIBOR(6)	01-Month USD-LIBOR + 0.102%	Quarterly	10/04/2024	10,100	0	2	2	0	0
					$ (1)	$ 1	$ 0	$ 0	$ (4)

INTEREST RATE SWAPS

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Receive[6]	1-Day GBP-SONIO Compounded-OIS	0.010%	Annual	02/07/2023	GBP 23,100	$ 103	$ 161	$ 264	$ 0	$ (11)
Pay[6]	1-Day GBP-SONIO Compounded-OIS	0.250	Annual	03/16/2024	6,100	(31)	(115)	(146)	3	0
Pay[6]	1-Day GBP-SONIO Compounded-OIS	0.500	Annual	03/16/2027	4,300	(21)	(142)	(163)	14	0
Pay[6]	1-Day GBP-SONIO Compounded-OIS	0.750	Annual	03/16/2032	8,200	(20)	(204)	(224)	59	0
Pay[6]	1-Day GBP-SONIO Compounded-OIS	0.750	Annual	03/16/2052	1,600	44	(91)	(47)	41	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/17/2022	JPY 1,790,000	0	2	2	0	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	06/19/2022	1,020,000	0	1	1	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Annual	12/15/2023	2,310,000	15	(1)	14	0	(2)
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Annual	12/15/2028	1,060,000	0	(10)	(10)	0	(10)
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.200	Semi-Annual	06/19/2029	900,000	152	(83)	69	0	(9)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/17/2031	1,790,000	(215)	43	(172)	0	(26)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.050	Annual	12/15/2031	350,000	2	6	8	6	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.500	Semi-Annual	06/19/2049	120,000	10	(18)	(8)	0	(8)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.398	Annual	08/13/2051	60,000	0	15	15	5	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.400	Annual	12/15/2051	70,000	(4)	23	19	5	0
Receive	1-Day SGD-SIBCSORA Compounded-OIS	1.250	Semi-Annual	09/15/2031	SGD 3,300	(18)	52	34	9	0
Receive	1-Day SGD-SIBCSORA Compounded-OIS	1.500	Semi-Annual	12/15/2031	2,700	7	(19)	(12)	8	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	0.768	Annual	12/31/2023	$ 88,100	(25)	(71)	(96)	0	(8)
Receive[6]	1-Day USD-SOFR Compounded-OIS	0.500	Annual	06/15/2024	16,300	158	8	166	4	0
Pay	1-Day USD-SOFR Compounded-OIS	1.000	Annual	12/15/2026	2,800	(17)	3	(14)	2	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	1.000	Annual	06/15/2027	6,100	(51)	(18)	(69)	3	0
Pay	1-Day USD-SOFR Compounded-OIS	1.250	Annual	12/15/2028	3,700	13	0	13	2	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	1.228	Annual	08/15/2031	22,700	(1)	(215)	(216)	9	0
Pay	1-Day USD-SOFR Compounded-OIS	1.500	Annual	12/15/2031	11,900	316	(98)	218	5	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	1.250	Annual	06/15/2032	5,700	(38)	(34)	(72)	3	0
Receive	1-Year BRL-CDI	2.850	Maturity	01/03/2022	BRL 18,500	0	51	51	0	0
Receive	1-Year BRL-CDI	2.859	Maturity	01/03/2022	44,800	0	121	121	0	0
Receive	1-Year BRL-CDI	2.860	Maturity	01/03/2022	23,600	0	65	65	0	0
Receive	1-Year BRL-CDI	2.870	Maturity	01/03/2022	13,000	0	35	35	0	0
Receive	1-Year BRL-CDI	2.871	Maturity	01/03/2022	18,700	0	51	51	0	0
Receive	1-Year BRL-CDI	2.883	Maturity	01/03/2022	15,200	0	40	40	0	0
Pay	1-Year BRL-CDI	3.300	Maturity	01/03/2022	258,900	(3)	(409)	(412)	0	0
Pay	1-Year BRL-CDI	3.345	Maturity	01/03/2022	5,500	0	(11)	(11)	0	0
Pay	1-Year BRL-CDI	3.350	Maturity	01/03/2022	117,200	(1)	(236)	(237)	0	0
Receive	1-Year BRL-CDI	3.360	Maturity	01/03/2022	38,900	(58)	107	49	0	0
Pay	1-Year BRL-CDI	3.700	Maturity	01/03/2022	60,800	(4)	(102)	(106)	0	0
Receive	1-Year BRL-CDI	7.197	Maturity	01/03/2022	142,267	0	24	24	0	0
Receive	1-Year BRL-CDI	7.198	Maturity	01/03/2022	136,200	0	24	24	0	0
Pay[6]	3-Month CAD-Bank Bill	2.060	Semi-Annual	10/28/2023	CAD 17,700	0	27	27	5	0
Pay[6]	3-Month CAD-Bank Bill	2.000	Semi-Annual	11/14/2023	8,000	0	7	7	2	0
Pay	3-Month CAD-Bank Bill	1.220	Semi-Annual	03/03/2025	6,000	0	(67)	(67)	4	0
Pay	3-Month CAD-Bank Bill	1.500	Semi-Annual	06/17/2025	3,200	(26)	3	(23)	3	0
Pay	3-Month CAD-Bank Bill	1.000	Semi-Annual	06/16/2026	3,200	(39)	(49)	(88)	3	0
Pay	3-Month CAD-Bank Bill	2.500	Semi-Annual	06/19/2029	5,900	173	39	212	7	0
Pay	3-Month CAD-Bank Bill	1.900	Semi-Annual	12/18/2029	8,200	109	(98)	11	11	0
Pay	3-Month CAD-Bank Bill	1.500	Semi-Annual	06/17/2030	11,700	(89)	(204)	(293)	16	0
Pay	3-Month CAD-Bank Bill	1.250	Semi-Annual	06/16/2031	6,500	(326)	14	(312)	8	0
Pay	3-Month CAD-Bank Bill	1.585	Semi-Annual	07/19/2031	1,100	(32)	9	(23)	2	0
Pay	3-Month CAD-Bank Bill	1.750	Semi-Annual	12/16/2046	600	(86)	48	(38)	2	0
Pay	3-Month CAD-Bank Bill	2.750	Semi-Annual	12/18/2048	600	20	43	63	3	0
Pay	3-Month CHF-SRFXON3 Compounded-OIS	(0.500)	Annual	09/15/2026	CHF 14,900	(16)	(167)	(183)	3	0
Pay[6]	3-Month NZD-BBR	3.000	Semi-Annual	11/01/2023	NZD 16,200	6	41	47	0	(2)
Pay[6]	3-Month NZD-BBR	3.000	Semi-Annual	12/15/2023	18,500	(2)	47	45	0	(3)
Pay	3-Month NZD-BBR	0.528	Semi-Annual	03/17/2024	400	0	(10)	(10)	0	0
Pay	3-Month SEK-STIBOR	1.000	Annual	06/19/2029	SEK 13,200	51	(28)	23	0	(4)
Receive	3-Month USD-LIBOR	0.250	Semi-Annual	03/30/2023	$ 14,965	3	59	62	0	0

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Receive	3-Month USD-LIBOR	0.250%	Semi-Annual	06/16/2023	$ 37,600	$ 33	$ 229	$ 262	$ 4	$ 0
Receive	3-Month USD-LIBOR	1.305	Semi-Annual	08/21/2023	6,950	0	(89)	(89)	0	0
Pay	3-Month USD-LIBOR	0.500	Semi-Annual	12/15/2023	1,400	(3)	14	11	0	0
Receive	3-Month USD-LIBOR	1.298	Semi-Annual	08/25/2024	5,950	0	(57)	(57)	0	0
Receive	3-Month USD-LIBOR	1.249	Semi-Annual	08/31/2024	7,050	0	(56)	(56)	0	0
Pay	3-Month USD-LIBOR	1.000	Semi-Annual	12/16/2025	6,500	176	(245)	(69)	0	0
Receive	3-Month USD-LIBOR	0.400	Semi-Annual	03/30/2026	27,150	248	745	993	0	0
Pay	3-Month USD-LIBOR	0.500	Semi-Annual	06/16/2026	38,710	(824)	(565)	(1,389)	3	0
Receive	3-Month USD-LIBOR	1.250	Semi-Annual	12/15/2026	70,200	(784)	1,119	335	0	(27)
Pay	3-Month USD-LIBOR	0.400	Semi-Annual	01/15/2028	6,800	(54)	(339)	(393)	4	0
Pay	3-Month USD-LIBOR	0.500	Semi-Annual	06/16/2028	3,000	(164)	(13)	(177)	2	0
Receive	3-Month USD-LIBOR	2.250	Semi-Annual	06/20/2028	25,100	1,360	(2,648)	(1,288)	0	(14)
Pay	3-Month USD-LIBOR	1.500	Semi-Annual	12/15/2028	11,900	118	(89)	29	7	0
Receive	3-Month USD-LIBOR	1.500	Semi-Annual	12/15/2028	300	(1)	0	(1)	0	0
Receive	3-Month USD-LIBOR	2.000	Semi-Annual	01/15/2030	9,400	(44)	(397)	(441)	0	(3)
Receive	3-Month USD-LIBOR	1.000	Semi-Annual	12/16/2030	8,700	(113)	517	404	0	(3)
Receive	3-Month USD-LIBOR	1.120	Semi-Annual	02/02/2031	1,500	0	49	49	0	(1)
Receive	3-Month USD-LIBOR	0.750	Semi-Annual	03/30/2031	8,750	75	519	594	0	(4)
Pay	3-Month USD-LIBOR	0.750	Semi-Annual	06/16/2031	20,220	1,856	(389)	1,467	0	(8)
Receive	3-Month USD-LIBOR	1.508	Semi-Annual	07/15/2031	400	(2)	2	0	0	0
Receive	3-Month USD-LIBOR	1.370	Semi-Annual	07/19/2031	1,300	(3)	19	16	0	(1)
Receive	3-Month USD-LIBOR	1.400	Semi-Annual	07/19/2031	2,900	(19)	46	27	0	(2)
Receive	3-Month USD-LIBOR	1.448	Semi-Annual	08/10/2031	2,600	(17)	32	15	0	(1)
Pay	3-Month USD-LIBOR	1.950	Semi-Annual	10/04/2031	780	0	31	31	1	0
Receive	3-Month USD-LIBOR	1.720	Semi-Annual	10/15/2031	2,700	0	(45)	(45)	0	(2)
Pay	3-Month USD-LIBOR	1.750	Semi-Annual	12/15/2031	19,600	495	(177)	318	9	0
Receive	3-Month USD-LIBOR	1.750	Semi-Annual	12/15/2031	300	(11)	6	(5)	0	0
Receive	3-Month USD-LIBOR	1.250	Semi-Annual	06/09/2041	2,400	42	159	201	0	(7)
Receive	3-Month USD-LIBOR	1.325	Semi-Annual	12/02/2050	1,100	(32)	138	106	0	(4)
Receive	3-Month USD-LIBOR	1.250	Semi-Annual	12/16/2050	1,300	5	142	147	0	(6)
Pay	3-Month USD-LIBOR	1.460	Semi-Annual	02/02/2051	2,000	(23)	(97)	(120)	8	0
Receive	3-Month USD-LIBOR	1.150	Semi-Annual	03/30/2051	6,200	194	640	834	0	(28)
Receive	3-Month USD-LIBOR	1.940	Semi-Annual	06/15/2051	1,000	(7)	(43)	(50)	0	(4)
Pay	3-Month USD-LIBOR	1.250	Semi-Annual	06/16/2051	200	(43)	20	(23)	1	0
Receive	3-Month USD-LIBOR	1.935	Semi-Annual	06/22/2051	900	(6)	(37)	(43)	0	(4)
Receive	3-Month USD-LIBOR	1.968	Semi-Annual	06/23/2051	900	(7)	(43)	(50)	0	(4)
Receive	3-Month USD-LIBOR	1.665	Semi-Annual	10/27/2051	100	0	1	1	0	(1)
Pay	3-Month USD-LIBOR	2.000	Semi-Annual	12/15/2051	6,600	508	(76)	432	29	0
Receive	3-Month USD-LIBOR	2.000	Semi-Annual	12/15/2051	700	(42)	(6)	(48)	0	(4)
Receive	3-Month USD-LIBOR	2.090	Semi-Annual	12/23/2051	700	0	(63)	(63)	0	(4)
Receive(6)	3-Month USD-LIBOR	1.620	Semi-Annual	01/27/2052	500	0	13	13	0	(3)
Pay	3-Month ZAR-JIBAR	7.250	Quarterly	06/20/2023	ZAR 7,600	4	11	15	0	0
Receive	6-Month AUD-BBR-BBSW	1.250	Semi-Annual	06/17/2030	AUD 3,900	(84)	233	149	20	0
Pay	6-Month CZK-PRIBOR	1.913	Annual	01/30/2029	CZK 13,900	0	(55)	(55)	0	(2)
Pay(6)	6-Month EUR-EURIBOR	(0.500)	Annual	03/16/2024	EUR 14,900	(34)	(62)	(96)	0	(3)
Pay(6)	6-Month EUR-EURIBOR	(0.250)	Annual	03/16/2027	87,300	(162)	(1,471)	(1,633)	0	(93)
Pay(6)	6-Month EUR-EURIBOR	(0.250)	Annual	09/21/2027	13,700	(200)	(127)	(327)	0	(15)
Receive(6)	6-Month EUR-EURIBOR	0.190	Annual	01/27/2032	1,350	0	21	21	1	0
Receive(6)	6-Month EUR-EURIBOR	0.205	Annual	01/27/2032	1,700	0	23	23	1	0
Pay(6)	6-Month EUR-EURIBOR	0.250	Annual	03/16/2032	79,200	1,245	(2,085)	(840)	0	(75)
Pay(6)	6-Month EUR-EURIBOR	0.250	Annual	09/21/2032	3,300	25	(86)	(61)	0	(3)
Pay(6)	6-Month EUR-EURIBOR	(0.060)	Annual	11/17/2032	1,800	0	(101)	(101)	0	(2)
Receive	6-Month EUR-EURIBOR	0.000	Annual	03/17/2036	200	9	6	15	0	0
Receive(6)	6-Month EUR-EURIBOR	0.054	Annual	05/27/2050	300	0	43	43	0	0
Receive(6)	6-Month EUR-EURIBOR	0.500	Annual	03/16/2052	8,450	(393)	358	(35)	7	0
Receive(6)	6-Month EUR-EURIBOR	0.500	Annual	09/21/2052	900	(21)	21	0	1	0
Receive(6)	6-Month EUR-EURIBOR	0.064	Annual	11/17/2052	600	0	86	86	0	0
Pay	6-Month JPY-LIBOR	0.000	Semi-Annual	03/17/2022	JPY 1,790,000	0	5	5	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	06/19/2022	1,020,000	0	3	3	0	0
Pay	28-Day MXN-TIIE	4.870	Lunar	07/07/2025	MXN 29,200	5	(119)	(114)	0	(1)
Receive	UKRPI	3.397	Maturity	11/15/2030	850	6	144	150	0	(8)
Receive	UKRPI	3.445	Maturity	11/15/2030	710	0	119	119	0	(7)
Receive	UKRPI	3.510	Maturity	11/15/2030	430	0	68	68	0	(4)
Pay	UKRPI	3.740	Maturity	03/15/2031	1,300	1	(163)	(162)	10	0
Receive	UKRPI	3.700	Maturity	04/15/2031	2,100	20	(307)	(287)	15	0
Pay	UKRPI	3.217	Maturity	11/15/2040	1,450	(24)	(433)	(457)	12	0
Pay	UKRPI	3.272	Maturity	11/15/2040	500	0	(146)	(146)	4	0
Pay	UKRPI	3.273	Maturity	11/15/2040	710	0	(207)	(207)	6	0
Pay	UKRPI	3.340	Maturity	11/15/2040	730	0	(192)	(192)	6	0
Receive	UKRPI	3.000	Maturity	11/15/2050	600	21	271	292	0	(7)
Receive	UKRPI	3.051	Maturity	11/15/2050	500	0	224	224	0	(7)
Receive	UKRPI	3.143	Maturity	11/15/2050	300	0	113	113	0	(4)
						$ 3,388	$ (6,169)	$ (2,781)	$ 398	$ (449)
Total Swap Agreements						**$ 3,060**	**$ (6,523)**	**$ (3,463)**	**$ 405**	**$ (501)**

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of December 31, 2021:

	Financial Derivative Assets				Financial Derivative Liabilities			
	Market Value	Variation Margin Asset			Market Value	Variation Margin Liability		
	Purchased Options	Futures	Swap Agreements	Total	Written Options	Futures	Swap Agreements	Total
Total Exchange-Traded or Centrally Cleared	$ 0	$ 135	$ 405	$ 540	$ 0	$ (236)	$ (501)	$ (737)

(l) Securities with an aggregate market value of $3,263 and cash of $ 9,716 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of December 31, 2021. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

(1) If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(3) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on sovereign issues as of period end serve as indicators of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(4) The maximum potential amount the Portfolio could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(5) The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the underlying referenced instrument's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(6) This instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

(m) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

FORWARD FOREIGN CURRENCY CONTRACTS:

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Unrealized Appreciation/ (Depreciation) Liability
BOA	01/2022	CNH	2,214	$	345	$ 0	$ (3)
	01/2022	CNY	15,766		2,448	0	(30)
	01/2022	JPY	60,100		532	10	0
	01/2022	PEN	755		187	0	(2)
	01/2022	$	5	CZK	107	0	0
	01/2022		809	GBP	610	17	0
	01/2022		51	MXN	1,069	1	0
	03/2022	MXN	3,991	$	191	0	(1)
	03/2022	MYR	16,247		3,887	0	(8)
	03/2022	SGD	904		660	0	(11)
	04/2022	DKK	30,284		4,783	139	0
BPS	01/2022	CAD	4,589		3,588	0	(40)
	01/2022	EUR	2,716		3,068	0	(24)
	01/2022	GBP	38,521		51,013	0	(1,128)
	01/2022	ILS	422		134	0	(2)
	01/2022	JPY	865,818		7,631	104	0
	01/2022	MXN	1,069		52	0	0
	01/2022	$	1,107	CNH	7,117	12	0
	01/2022		474	EUR	418	2	0
	01/2022		5,331	JPY	605,300	0	(69)
	01/2022		108	RUB	7,941	0	(3)
	02/2022	JPY	4,345,725	$	37,745	0	(42)
	03/2022	MYR	29,046		6,846	0	(117)
	04/2022	DKK	18,520		2,877	41	(4)
	10/2022	PEN	1,656		406	0	(1)
BRC	01/2022	JPY	3,479,417		30,667	419	0

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Liability
CBK	01/2022	BRL	1,522	$	273	$ 0	$ (1)
	01/2022	EUR	1,980		2,246	0	(9)
	01/2022	ILS	528		168	0	(2)
	01/2022	PEN	3,083		758	0	(14)
	01/2022	RUB	80,335		1,077	8	0
	01/2022	$	271	BRL	1,522	2	0
	01/2022		684	PEN	2,720	0	(2)
	02/2022	ILS	10,603	$	3,288	0	(123)
	02/2022	PEN	9,737		2,436	34	(33)
	03/2022	ILS	10,902		3,319	0	(189)
	03/2022	PEN	9,069		2,212	0	(53)
	04/2022	DKK	53,104		8,263	132	(14)
	04/2022	ILS	1,400		435	0	(16)
	04/2022	MXN	497		23	0	(1)
	04/2022	$	412	DKK	2,615	0	(11)
	05/2022	PEN	661	$	160	0	(4)
	06/2022	ILS	3,700		1,141	0	(52)
	08/2022		3,925		1,219	0	(49)
	08/2022	PEN	1,105		273	0	0
	10/2022	ILS	300		96	0	(1)
	12/2022		5,301		1,703	0	(16)
	12/2022	$	583	PEN	2,446	14	0
DUB	01/2022	CNH	242,275	$	37,879	0	(194)
	02/2022	ILS	300		95	0	(1)
GLM	01/2022		3,377		1,034	0	(52)
	01/2022	PEN	5,537		1,344	0	(42)
	01/2022	$	390	NOK	3,540	12	0
	01/2022		277	PEN	1,118	3	0
	01/2022		806	RUB	58,612	0	(26)
	02/2022	CAD	769	$	637	29	0
	03/2022	$	1,661	MXN	34,513	3	0
	11/2022	ILS	7,100	$	2,297	0	(3)
HUS	01/2022	CAD	2,649		2,073	0	(21)
	01/2022	CNH	120,834		18,831	0	(158)
	01/2022	GBP	359		478	0	(8)
	01/2022	ILS	2,111		654	0	(25)
	01/2022	JPY	747,400		6,512	15	0
	01/2022	$	5,514	CNY	35,156	2	0
	02/2022	ILS	4,997	$	1,612	4	0
	02/2022	RUB	38,638		515	2	0
	02/2022	$	525	RUB	38,021	0	(20)
	03/2022	MYR	3,071	$	725	0	(11)
	03/2022	SGD	2,887		2,108	0	(34)
	04/2022	DKK	4,560		711	12	0
	04/2022	$	569	DKK	3,645	0	(10)
JPM	01/2022	CNH	124,467	$	19,429	0	(130)
	01/2022	CNY	58,144		9,026	0	(113)
	01/2022	JPY	1,030,172		9,061	106	0
	01/2022	$	1,920	CAD	2,456	21	0
	01/2022		989	JPY	112,500	0	(11)
	03/2022	HKD	3,523	$	452	0	0
	03/2022	KRW	12,783,930		10,813	81	0
	03/2022	SGD	3,717		2,712	0	(46)
	12/2022	ILS	800		259	0	0
MYI	01/2022	CHF	112		121	0	(1)
	01/2022	NZD	6,974		4,760	0	(16)
	04/2022	DKK	90,442		14,275	403	0
RBC	01/2022	CAD	340		263	0	(6)
	01/2022	JPY	1,794,031		15,737	140	0
	01/2022	$	314	CAD	400	2	0
SCX	01/2022	CNH	47,112	$	7,328	0	(76)
	01/2022	CNY	43,276		6,762	0	(40)
	01/2022	EUR	63,493		71,573	0	(713)
	01/2022	$	719	CAD	921	9	0
	01/2022		30	CNH	193	0	0
	01/2022		3,133	NOK	28,381	90	0
	02/2022	EUR	67,771	$	77,113	0	(89)
	02/2022	GBP	38,237		51,787	34	0

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/(Depreciation) Asset	Liability
SSB	01/2022	BRL	1,522	$	268	$ 0	$ (6)
	02/2022	$	266	BRL	1,522	6	0
TOR	01/2022	AUD	1,693	$	1,212	0	(20)
	01/2022	CAD	17,032		13,284	0	(181)
	01/2022	$	13,376	CAD	16,896	0	(19)
	02/2022	CAD	16,897	$	13,376	19	0
	03/2022	MXN	31,095		1,468	0	(32)
UAG	01/2022	JPY	2,352,747		20,479	25	0
	01/2022	$	350	CAD	450	5	0
	01/2022		178	RUB	12,938	0	(6)
Total Forward Foreign Currency Contracts						**$ 1,958**	**$ (4,185)**

PURCHASED OPTIONS:

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount[1]	Cost	Market Value
GLM	Put - OTC 10-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.400%	01/25/2022	8,400	$ 106	$ 30
NGF	Put - OTC 10-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.400	01/25/2022	7,700	95	28
							$ 201	$ 58

OPTIONS ON SECURITIES

Counterparty	Description	Strike Price	Expiration Date	Notional Amount[1]	Cost	Market Value
BPS	Put - OTC Euro-OAT France Government Bond 0.750% due 05/23/2025	EUR 97.000	05/23/2025	1,100	$ 83	$ 166
Total Purchased Options					**$ 284**	**$ 224**

WRITTEN OPTIONS:

CREDIT DEFAULT SWAPTIONS ON CREDIT INDICES

Counterparty	Description	Buy/Sell Protection	Exercise Rate	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
BOA	Put - OTC CDX.HY-37 5-Year Index	Sell	101.000%	01/19/2022	600	$ (3)	$ 0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.800	02/16/2022	2,200	(3)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	2,100	(3)	(1)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.800	01/19/2022	1,300	(2)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.900	03/16/2022	1,000	(2)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.850	04/20/2022	900	(1)	(1)
BRC	Put - OTC CDX.IG-37 5-Year Index	Sell	0.850	01/19/2022	1,600	(2)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.950	03/16/2022	1,100	(1)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	3,200	(4)	(2)
	Put - OTC iTraxx Crossover 36 5-Year Index	Sell	3.750	01/19/2022	900	(5)	0
	Put - OTC iTraxx Crossover 36 5-Year Index	Sell	4.000	02/16/2022	900	(7)	(1)
	Put - OTC iTraxx Crossover 36 5-Year Index	Sell	4.250	03/16/2022	1,100	(5)	(2)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.750	01/19/2022	1,400	(2)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.800	01/19/2022	1,300	(2)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.800	03/16/2022	2,900	(3)	(1)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.900	03/16/2022	7,000	(9)	(2)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.950	03/16/2022	1,600	(2)	(1)
CBK	Put - OTC CDX.IG-37 5-Year Index	Sell	0.850	01/19/2022	1,300	(1)	0
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.800	02/16/2022	1,600	(2)	0
DUB	Put - OTC CDX.HY-37 5-Year Index	Sell	101.000	01/19/2022	500	(2)	0
	Put - OTC CDX.HY-37 5-Year Index	Sell	96.000	03/16/2022	900	(4)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.800	01/19/2022	1,700	(2)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	03/16/2022	1,900	(2)	(1)
GST	Put - OTC CDX.IG-36 5-Year Index	Sell	0.750	01/19/2022	2,300	(2)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	03/16/2022	1,600	(2)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	1.000	03/16/2022	1,100	(1)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.850	04/20/2022	1,000	(1)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	900	(1)	(1)

Counterparty	Description	Buy/Sell Protection	Exercise Rate	Expiration Date	Notional Amount(1)	Premiums (Received)	Market Value
JPM	Put - OTC CDX.IG-37 5-Year Index	Sell	0.950%	03/16/2022	600	$ (1)	$ 0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	1,300	(2)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.950	04/20/2022	1,200	(1)	(1)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.900	03/16/2022	3,100	(4)	(1)
MYC	Put - OTC CDX.IG-37 5-Year Index	Sell	0.800	01/19/2022	2,300	(3)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	1.000	03/16/2022	700	(1)	0
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.900	04/20/2022	1,000	(2)	(1)
	Put - OTC CDX.IG-37 5-Year Index	Sell	0.950	04/20/2022	1,000	(1)	(1)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.850	04/20/2022	2,300	(4)	(2)
	Put - OTC iTraxx Europe 36 5-Year Index	Sell	0.900	04/20/2022	1,600	(2)	(1)
						$ (97)	$ (24)

FOREIGN CURRENCY OPTIONS

Counterparty	Description	Strike Price	Expiration Date	Notional Amount(1)	Premiums (Received)	Market Value
GLM	Call - OTC USD versus CAD	CAD 1.265	02/11/2022	3,298	$ (33)	$ (29)

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount(1)	Premiums (Received)	Market Value
AZD	Call - OTC 10-Year Interest Rate Swap	6-Month AUD-BBR-BBSW	Receive	1.790%	01/24/2022	1,600	$ (4)	$ (2)
	Put - OTC 10-Year Interest Rate Swap	6-Month AUD-BBR-BBSW	Pay	2.140	01/24/2022	1,600	(4)	(4)
BOA	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.355	01/20/2022	1,900	(6)	(1)
	Put - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.655	01/20/2022	1,900	(6)	(9)
BPS	Call - OTC 5-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	(0.100)	02/10/2022	8,000	(40)	(6)
	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.376	01/10/2022	3,700	(10)	(3)
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.676	01/10/2022	3,700	(10)	(1)
	Put - OTC 25-Year Interest Rate Swap	6-Month EUR-EURIBOR	Pay	0.451	05/23/2025	1,100	(83)	(154)
BRC	Call - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Receive	0.010	02/07/2022	6,400	(8)	0
	Put - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Pay	0.010	02/07/2022	6,400	(8)	(73)
DUB	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.345	01/10/2022	5,200	(13)	(3)
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.645	01/10/2022	5,200	(13)	(3)
GLM	Call - OTC 1-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	0.870	11/02/2022	66,900	(133)	(68)
	Put - OTC 1-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.270	11/02/2022	66,900	(133)	(171)
	Call - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Receive	0.010	02/07/2022	6,400	(9)	0
	Put - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Pay	0.010	02/07/2022	6,400	(9)	(73)
	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.218	01/18/2022	1,100	(3)	0
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.518	01/18/2022	1,100	(3)	(4)
	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.330	01/24/2022	700	(2)	(1)
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.630	01/24/2022	700	(2)	(1)
	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.435	01/10/2022	3,200	(10)	(2)
	Put - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.735	01/10/2022	3,200	(10)	(3)
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	2.320	01/25/2022	2,700	(72)	0
GST	Call - OTC 10-Year Interest Rate Swap	6-Month AUD-BBR-BBSW	Receive	1.770	01/17/2022	1,000	(2)	0
	Put - OTC 10-Year Interest Rate Swap	6-Month AUD-BBR-BBSW	Pay	2.120	01/17/2022	1,000	(2)	(2)
JPM	Call - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Receive	0.820	12/16/2024	6,200	(44)	(33)
MYC	Call - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.270	01/10/2022	8,000	(16)	(5)
	Put - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.570	01/10/2022	8,000	(16)	(2)
	Call - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.118	01/18/2022	3,100	(5)	(1)
	Put - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.418	01/18/2022	3,100	(5)	(7)
	Call - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.185	02/14/2022	5,400	(15)	(8)
	Put - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.585	02/14/2022	5,400	(15)	(12)
	Call - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.330	01/18/2022	3,200	(7)	(3)
	Put - OTC 7-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.630	01/18/2022	3,200	(7)	(4)
RYL	Call - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Receive	0.010	02/07/2022	33,400	(43)	0
	Put - OTC 1-Year Interest Rate Swap	6-Month GBP-LIBOR	Pay	0.010	02/07/2022	33,400	(43)	(379)
							$ (811)	$ (1,038)

INTEREST RATE-CAPPED OPTIONS

Counterparty	Description	Exercise Rate	Floating Rate Index	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
MYC	Call - OTC 1-Year Interest Rate Floor	0.000%	1-Month USD-LIBOR	10/07/2022	9,500	$ (10)	$ (1)
	Call - OTC 1-Year Interest Rate Floor	0.000	1-Month USD-LIBOR	10/08/2022	5,250	(5)	0
						$ (15)	$ (1)

OPTIONS ON SECURITIES

Counterparty	Description	Strike Price	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
GSC	Call - OTC Fannie Mae, TBA 2.000% due 03/01/2052	$ 100.297	03/07/2022	500	$ (1)	$ (1)
	Call - OTC Uniform Mortgage-Backed Security, TBA 3.000% due 03/01/2052	103.758	03/07/2022	500	(1)	0
JPM	Call - OTC Fannie Mae, TBA 2.000% due 03/01/2052	100.352	03/07/2022	400	(1)	(1)
	Call - OTC Uniform Mortgage-Backed Security, TBA 3.000% due 03/01/2052	103.754	03/07/2022	500	0	(1)
					$ (3)	$ (3)
Total Written Options					**$ (959)**	**$ (1,095)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON SOVEREIGN ISSUES - BUY PROTECTION[2]

Counterparty	Reference Entity	Fixed (Pay) Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2021[4]	Notional Amount[5]	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value[6] Asset	Liability
BOA	Japan Government International Bond	(1.000)%	Quarterly	06/20/2022	0.032%	$ 200	$ (7)	$ 6	$ 0	$ (1)
BPS	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.032	1,700	(61)	53	0	(8)
	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.101	3,000	(73)	32	0	(41)
BRC	China Government International Bond	(1.000)	Quarterly	06/20/2023	0.115	800	(15)	4	0	(11)
	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.032	1,200	(41)	35	0	(6)
	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.101	2,000	(51)	24	0	(27)
CBK	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.032	1,000	(35)	30	0	(5)
GST	China Government International Bond	(1.000)	Quarterly	06/20/2023	0.115	1,600	(31)	9	0	(22)
	Japan Government International Bond	(1.000)	Quarterly	06/20/2022	0.032	1,700	(59)	51	0	(8)
HUS	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.101	800	(20)	9	0	(11)
JPM	South Korea Government International Bond	(1.000)	Quarterly	06/20/2023	0.101	200	(5)	2	0	(3)
							$ (398)	$ 255	$ 0	$ (143)

CREDIT DEFAULT SWAPS ON SOVEREIGN ISSUES - SELL PROTECTION[3]

Counterparty	Reference Entity	Fixed Receive Rate	Payment Frequency	Maturity Date	Implied Credit Spread at December 31, 2021[4]	Notional Amount[5]	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value[6] Asset	Liability
BRC	Italy Government International Bond	1.000%	Quarterly	06/20/2025	0.685%	$ 900	$ (22)	$ 32	$ 10	$ 0
CBK	Italy Government International Bond	1.000	Quarterly	06/20/2025	0.685	600	(15)	22	7	0
GST	Emirate of Abu Dhabi Government International Bond	1.000	Quarterly	12/20/2026	0.440	400	12	(1)	11	0
							$ (25)	$ 53	$ 28	$ 0

See Accompanying Notes

CROSS-CURRENCY SWAPS

Counterparty	Receive	Pay	Payment Frequency	Maturity Date(7)	Notional Amount of Currency Received	Notional Amount of Currency Delivered	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value Asset	Swap Agreements, at Value Liability
AZD	Floating rate equal to 3-Month AUD-LIBOR plus 0.290% based on the notional amount of currency received	Floating rate equal to 3-Month USD-LIBOR based on the notional amount of currency delivered	Maturity	01/04/2031	AUD 5,200	$ 3,918	$ 25	$ (28)	$ 0	$ (3)
CBK	Floating rate equal to 3-Month AUD-LIBOR plus 0.420% based on the notional amount of currency received	Floating rate equal to 3-Month USD-LIBOR based on the notional amount of currency delivered	Maturity	07/31/2029	4,200	2,898	0	2	2	0
GLM	Floating rate equal to 3-Month AUD-LIBOR plus 0.423% based on the notional amount of currency received	Floating rate equal to 3-Month USD-LIBOR based on the notional amount of currency delivered	Maturity	08/01/2029	4,100	2,829	(14)	1	0	(13)
MYC	Floating rate equal to 3-Month AUD-LIBOR plus 0.298% based on the notional amount of currency received	Floating rate equal to 3-Month USD-LIBOR based on the notional amount of currency delivered	Maturity	10/14/2030	1,800	1,293	9	(9)	0	0
							$ 20	$ (34)	$ 2	$ (16)

INTEREST RATE SWAPS

Counterparty	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value Asset	Swap Agreements, at Value Liability
BOA	Receive	3-Month MYR-KLIBOR(8)	3.000%	Quarterly	03/16/2027	MYR 3,800	$ (5)	$ 4	$ 0	$ (1)
	Receive	3-Month MYR-KLIBOR(8)	3.250	Quarterly	03/16/2032	18,900	62	(11)	51	0
BPS	Receive	3-Month MYR-KLIBOR(8)	3.500	Quarterly	03/16/2032	1,500	(4)	0	0	(4)
CBK	Receive	3-Month MYR-KLIBOR(8)	3.500	Quarterly	03/16/2032	500	(1)	0	0	(1)
JPM	Receive	3-Month MYR-KLIBOR(8)	3.500	Quarterly	03/16/2032	2,400	(5)	(1)	0	(6)
NGF	Receive	3-Month MYR-KLIBOR(8)	3.500	Quarterly	03/16/2032	2,200	(4)	(1)	0	(5)
SCX	Receive	3-Month MYR-KLIBOR(8)	3.000	Quarterly	03/16/2027	2,400	(2)	2	0	0
	Receive	3-Month MYR-KLIBOR(8)	3.500	Quarterly	03/16/2032	1,600	(5)	1	0	(4)
							$ 36	$ (6)	$ 51	$ (21)

TOTAL RETURN SWAPS ON INTEREST RATE INDICES

Counterparty	Pay/Receive(9)	Underlying Reference	# of Units	Financing Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value Asset	Swap Agreements, at Value Liability
BPS	Receive	iBoxx USD Liquid Investment Grade Index	N/A	0.214% (3-Month USD-LIBOR plus a specified spread)	Maturity	09/20/2022	$ 7,500	$ 2	$ 56	$ 58	$ 0
GST	Receive	iBoxx USD Liquid Investment Grade Index	N/A	0.214% (3-Month USD-LIBOR plus a specified spread)	Maturity	06/20/2022	8,000	2	32	34	0
								$ 4	$ 88	$ 92	$ 0
Total Swap Agreements								**$ (363)**	**$ 356**	**$ 173**	**$ (180)**

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral pledged/(received) as of December 31, 2021:

	Financial Derivative Assets				Financial Derivative Liabilities						
Counterparty	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter	Net Market Value of OTC Derivatives	Collateral Pledged/ (Received)	Net Exposure[10]
AZD	$ 0	$ 0	$ 0	$ 0	$ 0	$ (6)	$ (3)	$ (9)	$ (9)	$ 0	$ (9)
BOA	167	0	51	218	(55)	(12)	(2)	(69)	149	(300)	(151)
BPS	159	166	58	383	(1,430)	(164)	(53)	(1,647)	(1,264)	997	(267)
BRC	419	0	10	429	0	(82)	(44)	(126)	303	(260)	43
CBK	190	0	9	199	(590)	0	(6)	(596)	(397)	356	(41)
DUB	0	0	0	0	(195)	(8)	0	(203)	(203)	0	(203)
GLM	47	30	0	77	(123)	(352)	(13)	(488)	(411)	350	(61)
GSC	0	0	0	0	0	(1)	0	(1)	(1)	0	(1)
GST	0	0	45	45	0	(5)	(30)	(35)	10	0	10
HUS	35	0	0	35	(287)	0	(11)	(298)	(263)	0	(263)
JPM	208	0	0	208	(300)	(38)	(9)	(347)	(139)	0	(139)
MYC	0	0	0	0	0	(48)	0	(48)	(48)	(430)	(478)
MYI	403	0	0	403	(17)	0	0	(17)	386	(480)	(94)
NGF	0	28	0	28	0	0	(5)	(5)	23	0	23
RBC	142	0	0	142	(6)	0	0	(6)	136	0	136
RYL	0	0	0	0	0	(379)	0	(379)	(379)	278	(101)
SCX	133	0	0	133	(918)	0	(4)	(922)	(789)	355	(434)
SSB	6	0	0	6	(6)	0	0	(6)	0	0	0
TOR	19	0	0	19	(252)	0	0	(252)	(233)	0	(233)
UAG	30	0	0	30	(6)	0	0	(6)	24	0	24
Total Over the Counter	**$ 1,958**	**$ 224**	**$ 173**	**$ 2,355**	**$ (4,185)**	**$ (1,095)**	**$ (180)**	**$ (5,460)**			

(n) Securities with an aggregate market value of $2,336 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of December 31, 2021.

(1) Notional Amount represents the number of contracts.

(2) If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(3) If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(4) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on sovereign issues as of period end serve as indicators of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(5) The maximum potential amount the Portfolio could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(6) The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the underlying referenced instrument's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(7) At the maturity date, the notional amount of the currency received will be exchanged back for the notional amount of the currency delivered.

(8) This instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

(9) Receive represents that the Portfolio receives payments for any positive net return on the underlying reference. The Portfolio makes payments for any negative net return on such underlying reference. Pay represents that the Portfolio receives payments for any negative net return on the underlying reference. The Portfolio makes payments for any positive net return on such underlying reference.

(10) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

The following is a summary of the fair valuation of the Portfolio's derivative instruments categorized by risk exposure. See Note 7, Principal and Other Risks, in the Notes to Financial Statements on risks of the Portfolio.

Fair Values of Financial Derivative Instruments on the Statement of Assets and Liabilities as of December 31, 2021:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Financial Derivative Instruments - Assets						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ 135	$ 135
Swap Agreements	0	7	0	0	398	405
	$ 0	$ 7	$ 0	$ 0	$ 533	$ 540
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 1,958	$ 0	$ 1,958
Purchased Options	0	0	0	0	224	224
Swap Agreements	0	28	0	2	143	173
	$ 0	$ 28	$ 0	$ 1,960	$ 367	$ 2,355
	$ 0	$ 35	$ 0	$ 1,960	$ 900	$ 2,895
Financial Derivative Instruments - Liabilities						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ 236	$ 236
Swap Agreements	0	48	0	0	453	501
	$ 0	$ 48	$ 0	$ 0	$ 689	$ 737
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 4,185	$ 0	$ 4,185
Written Options	0	24	0	29	1,042	1,095
Swap Agreements	0	143	0	16	21	180
	$ 0	$ 167	$ 0	$ 4,230	$ 1,063	$ 5,460
	$ 0	$ 215	$ 0	$ 4,230	$ 1,752	$ 6,197

The effect of Financial Derivative Instruments on the Statement of Operations for the period ended December 31, 2021:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Net Realized Gain (Loss) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Purchased Options	$ 0	$ 0	$ 0	$ 0	$ 1	$ 1
Written Options	0	0	0	0	50	50
Futures	0	0	0	0	(915)	(915)
Swap Agreements	0	(1,372)	0	0	196	(1,176)
	$ 0	$ (1,372)	$ 0	$ 0	$ (668)	$ (2,040)
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 8,295	$ 0	$ 8,295
Purchased Options	0	0	0	0	139	139
Written Options	0	358	0	156	912	1,426
Swap Agreements	0	(118)	0	0	(23)	(141)
	$ 0	$ 240	$ 0	$ 8,451	$ 1,028	$ 9,719
	$ 0	$ (1,132)	$ 0	$ 8,451	$ 360	$ 7,679
Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Purchased Options	$ 0	$ 0	$ 0	$ 0	$ (3)	$ (3)
Futures	0	0	0	0	620	620
Swap Agreements	0	265	0	0	(4,662)	(4,397)
	$ 0	$ 265	$ 0	$ 0	$ (4,045)	$ (3,780)
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 2,885	$ 0	$ 2,885
Purchased Options	0	0	0	0	279	279
Written Options	0	20	0	(13)	(761)	(754)
Swap Agreements	0	138	0	(926)	212	(576)
	$ 0	$ 158	$ 0	$ 1,946	$ (270)	$ 1,834
	$ 0	$ 423	$ 0	$ 1,946	$ (4,315)	$ (1,946)

FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of December 31, 2021 in valuing the Portfolio's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2021
Investments in Securities, at Value				
Argentina				
Sovereign Issues	$ 0	$ 124	$ 0	$ 124
Australia				
Asset-Backed Securities	0	65	0	65
Corporate Bonds & Notes	0	310	0	310
Non-Agency Mortgage-Backed Securities	0	624	0	624
Sovereign Issues	0	3,388	0	3,388
Canada				
Corporate Bonds & Notes	0	705	0	705
Non-Agency Mortgage-Backed Securities	0	1,457	0	1,457
Sovereign Issues	0	5,523	0	5,523
Cayman Islands				
Asset-Backed Securities	0	38,757	0	38,757
Corporate Bonds & Notes	0	2,862	0	2,862
Non-Agency Mortgage-Backed Securities	0	763	0	763
China				
Sovereign Issues	0	99,787	0	99,787
Denmark				
Corporate Bonds & Notes	0	30,533	0	30,533
France				
Corporate Bonds & Notes	0	4,504	0	4,504
Sovereign Issues	0	15,019	0	15,019
Germany				
Corporate Bonds & Notes	0	15,702	0	15,702
Hungary				
Sovereign Issues	0	296	0	296
India				
Corporate Bonds & Notes	0	709	0	709
Ireland				
Asset-Backed Securities	0	9,091	0	9,091
Corporate Bonds & Notes	0	2,027	0	2,027
Israel				
Sovereign Issues	0	5,915	0	5,915
Italy				
Corporate Bonds & Notes	0	6,187	0	6,187
Sovereign Issues	0	7,465	0	7,465
Japan				
Corporate Bonds & Notes	0	4,469	0	4,469
Sovereign Issues	0	87,689	0	87,689
Jersey, Channel Islands				
Asset-Backed Securities	0	1,700	0	1,700
Kuwait				
Sovereign Issues	0	2,182	0	2,182
Lithuania				
Sovereign Issues	0	724	0	724
Luxembourg				
Corporate Bonds & Notes	0	1,515	0	1,515
Malaysia				
Corporate Bonds & Notes	0	1,251	0	1,251
Sovereign Issues	0	11,452	0	11,452
Multinational				
Corporate Bonds & Notes	0	650	0	650
Netherlands				
Corporate Bonds & Notes	0	1,852	0	1,852
Preferred Securities	0	248	0	248
New Zealand				
Sovereign Issues	0	447	0	447
Norway				
Corporate Bonds & Notes	0	518	0	518
Peru				
Corporate Bonds & Notes	0	540	0	540
Sovereign Issues	0	6,254	0	6,254
Qatar				
Corporate Bonds & Notes	0	1,612	0	1,612
Sovereign Issues	0	4,871	0	4,871
Romania				
Sovereign Issues	0	3,144	0	3,144
Saudi Arabia				
Corporate Bonds & Notes	0	901	0	901
Sovereign Issues	0	1,834	0	1,834
Serbia				
Sovereign Issues	0	1,062	0	1,062
Singapore				
Corporate Bonds & Notes	$ 0	$ 731	$ 0	$ 731
Sovereign Issues	0	5,072	0	5,072
Slovenia				
Sovereign Issues	0	1,546	0	1,546
South Africa				
Sovereign Issues	0	518	0	518
South Korea				
Sovereign Issues	0	10,829	0	10,829
Spain				
Corporate Bonds & Notes	0	1,081	0	1,081
Preferred Securities	0	1,898	0	1,898
Sovereign Issues	0	20,677	0	20,677
Supranational				
Corporate Bonds & Notes	0	652	0	652
Switzerland				
Corporate Bonds & Notes	0	10,176	0	10,176
United Arab Emirates				
Corporate Bonds & Notes	0	201	0	201
Sovereign Issues	0	350	0	350
United Kingdom				
Corporate Bonds & Notes	0	39,351	0	39,351
Non-Agency Mortgage-Backed Securities	0	25,669	0	25,669
Preferred Securities	0	249	0	249
Sovereign Issues	0	9,734	0	9,734
United States				
Asset-Backed Securities	0	35,659	0	35,659
Corporate Bonds & Notes	0	40,884	0	40,884
Loan Participations and Assignments	0	2,131	0	2,131
Municipal Bonds & Notes	0	604	0	604
Non-Agency Mortgage-Backed Securities	0	27,445	8,245	35,690
Preferred Securities	0	3,610	0	3,610
U.S. Government Agencies	0	70,011	0	70,011
U.S. Treasury Obligations	0	29,545	0	29,545
Short-Term Instruments				
Commercial Paper	0	3,644	0	3,644
Repurchase Agreements	0	252	0	252
Israel Treasury Bills	0	13,701	0	13,701
	$ 0	$ 742,948	$ 8,245	$ 751,193
Investments in Affiliates, at Value				
Short-Term Instruments				
Central Funds Used for Cash Management Purposes	$ 19,953	$ 0	$ 0	$ 19,953
Total Investments	$ 19,953	$ 742,948	$ 8,245	$ 771,146
Short Sales, at Value - Liabilities				
United States				
U.S. Government Agencies	$ 0	$ (121,369)	$ 0	$ (121,369)
Financial Derivative Instruments - Assets				
Exchange-traded or centrally cleared	106	434	0	540
Over the counter	0	2,355	0	2,355
	$ 106	$ 2,789	$ 0	$ 2,895
Financial Derivative Instruments - Liabilities				
Exchange-traded or centrally cleared	(193)	(544)	0	(737)
Over the counter	0	(5,460)	0	(5,460)
	$ (193)	$ (6,004)	$ 0	$ (6,197)
Total Financial Derivative Instruments	$ (87)	$ (3,215)	$ 0	$ (3,302)
Totals	$ 19,866	$ 618,364	$ 8,245	$ 646,475

 See Accompanying Notes

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Portfolio during the period ended December 31, 2021:

Category and Subcategory	Beginning Balance at 12/31/2020	Net Purchases	Net Sales/ Settlements	Accrued Discounts/ (Premiums)	Realized Gain/(Loss)	Net Change in Unrealized Appreciation/ (Depreciation)[1]	Transfers into Level 3	Transfers out of Level 3	Ending Balance at 12/31/2021	Net Change in Unrealized Appreciation/ (Depreciation) on Investments Held at 12/31/2021[1]
Investments in Securities, at Value										
United Kingdom										
Non-Agency Mortgage-Backed Securities	$ 3,118	$ 0	$ (3,061)	$ 0	$ 0	$ (57)	$ 0	$ 0	$ 0	$ 0
United States										
Non-Agency Mortgage-Backed Securities	0	8,404	0	0	0	(159)	0	0	8,245	(159)
	$ 3,118	$8,404	$ (3,061)	$ 0	$ 0	$ (216)	$ 0	$ 0	$ 8,245	$ (159)
Financial Derivative Instruments - Liabilities										
Over the counter	$ (2)	$ 0	$ 2	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Totals	$ 3,116	$8,404	$ (3,059)	$ 0	$ 0	$ (216)	$ 0	$ 0	$ 8,245	$ (159)

The following is a summary of significant unobservable inputs used in the fair valuations of assets and liabilities categorized within Level 3 of the fair value hierarchy:

Category and Subcategory	Ending Balance at 12/31/2021	Valuation Technique	Unobservable Inputs	(% Unless Noted Otherwise) Input Value(s)	Weighted Average
Investments in Securities, at Value					
United States					
Non-Agency Mortgage-Backed Securities	$ 8,245	Proxy Pricing	Base Price	102.250-102.891	102.496
Total	$ 8,245				

(1) Any difference between Net Change in Unrealized Appreciation/(Depreciation) and Net Change in Unrealized Appreciation/(Depreciation) on Investments Held at December 31, 2021 may be due to an investment no longer held or categorized as Level 3 at period end.

1. ORGANIZATION

PIMCO Variable Insurance Trust (the "Trust") is a Delaware statutory trust established under a trust instrument dated October 3, 1997. The Trust is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Trust is designed to be used as an investment vehicle by separate accounts of insurance companies that fund variable annuity contracts and variable life insurance policies and by qualified pension and retirement plans. Information presented in these financial statements pertains to the Institutional Class, Administrative Class and Advisor Class shares of the PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (the "Portfolio") offered by the Trust. Pacific Investment Management Company LLC ("PIMCO") serves as the investment adviser (the "Adviser") for the Portfolio.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Portfolio in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Portfolio is treated as an investment company under the reporting requirements of U.S. GAAP. The functional and reporting currency for the Portfolio is the U.S. dollar. The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

(a) Securities Transactions and Investment Income Securities transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled beyond a standard settlement period for the security after the trade date. Realized gains (losses) from securities sold are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Portfolio is informed of the ex-dividend date. Interest income, adjusted for the accretion of discounts and amortization of premiums, is recorded on the accrual basis from settlement date, with the exception of securities with a forward starting effective date, where interest income is recorded on the accrual basis from effective date. For convertible securities, premiums attributable to the conversion feature are not amortized. Estimated tax liabilities on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized appreciation (depreciation) on investments on the Statement of Operations, as appropriate. Tax liabilities realized as a result of such security sales are reflected as a component of net realized gain (loss) on investments on the Statement of Operations. Paydown gains (losses) on mortgage-related and other asset-backed securities, if any, are recorded as components of interest income on the Statement of Operations. Income or short-term capital gain distributions received from registered investment companies, if any, are recorded as dividend income. Long-term capital gain distributions received from registered investment companies, if any, are recorded as realized gains.

Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful based on consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is probable.

(b) Foreign Currency Translation The market values of foreign securities, currency holdings and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the current exchange rates each business day. Purchases and sales of securities and income and expense items denominated in foreign currencies, if any, are translated into U.S. dollars at the exchange rate in effect on the transaction date. The Portfolio does not separately report the effects of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized gain (loss) and net change in unrealized appreciation (depreciation) from investments on the Statement of Operations. The Portfolio may invest in foreign currency-denominated securities and may engage in foreign currency transactions either on a spot (cash) basis at the rate prevailing in the currency exchange market at the time or through a forward foreign currency contract. Realized foreign exchange gains (losses) arising from sales of spot foreign currencies, currency gains (losses) realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid are included in net realized gain (loss) on foreign currency transactions on the Statement of Operations. Net unrealized foreign exchange gains (losses) arising from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period are included in net change in unrealized appreciation (depreciation) on foreign currency assets and liabilities on the Statement of Operations.

(c) Multi-Class Operations Each class offered by the Trust has equal rights as to assets and voting privileges (except that shareholders of a class have exclusive voting rights regarding any matter relating solely to that class of shares). Income and non-class specific expenses are allocated daily to each class on the basis of the relative net assets. Realized and unrealized capital gains (losses) are allocated daily based on the relative net assets of each class of the Portfolio. Class specific expenses, where applicable, currently include supervisory and administrative and distribution and servicing fees. Under certain circumstances, the per share net asset value ("NAV") of a class of the Portfolio's shares may be different from the per share NAV of another class of shares as a result of the different daily expense accruals applicable to each class of shares.

(d) Distributions to Shareholders Distributions from net investment income, if any, are declared daily and distributed to shareholders monthly. In addition, the Portfolio distributes any net capital gains it earns from the sale of portfolio securities to shareholders no less frequently than annually.

Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on the Portfolio's annual financial statements presented under U.S. GAAP.

Separately, if the Portfolio determines or estimates, as applicable, that a portion of a distribution may be comprised of amounts from sources other than net investment income in accordance with its policies, accounting records (if applicable), and accounting practices, the Portfolio will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. For these purposes, the Portfolio determines or estimates, as applicable, the source or sources from which a distribution is paid, to the close of the period as of which it is paid, in reference to its internal accounting records and related accounting practices. If, based on such accounting records and practices, it is determined or estimated, as applicable, that a particular distribution does not include capital gains or paid-in surplus or other capital sources, a Section 19 Notice generally would not be issued. It is important to note that differences exist between the Portfolio's daily internal accounting records and practices, the Portfolio's financial statements presented in accordance with U.S. GAAP, and recordkeeping practices under income tax regulations. For instance, the Portfolio's internal accounting records and practices may take into account, among other factors, tax-related characteristics of certain sources of distributions that differ from treatment under U.S. GAAP. Examples of such differences may include but are not limited to, for certain Portfolios, the treatment of periodic payments under interest rate swap contracts. Accordingly, among other consequences, it is possible that the Portfolio may not issue a Section 19 Notice in situations where the Portfolio's financial statements prepared later and in accordance with U.S. GAAP and/or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital. Please visit www.pimco.com for the most recent Section 19 Notice, if applicable, for additional information regarding the estimated composition of distributions. Final determination of a distribution's tax character will be provided to shareholders when such information is available.

Distributions classified as a tax basis return of capital at the Portfolio's fiscal year end, if any, are reflected on the Statements of Changes in Net Assets and have been recorded to paid in capital on the Statement of Assets and Liabilities. In addition, other amounts have been reclassified between distributable earnings (accumulated loss) and paid in capital on the Statement of Assets and Liabilities to more appropriately conform U.S. GAAP to tax characterizations of distributions.

(e) New Accounting Pronouncements and Regulatory Updates In March 2020, the Financial Accounting Standards Board issued an Accounting Standards Update ("ASU"), ASU 2020-04, which provides optional guidance to ease the potential accounting burden associated with transitioning away from the London Interbank Offered Rate and other reference rates that are expected to be discontinued. The ASU is effective immediately upon release of the update on March 12, 2020 through December 31, 2022. At this time, management is evaluating implications of these changes on the financial statements.

In October 2020, the U.S. Securities and Exchange Commission ("SEC") adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that rescinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions. Subject to certain exceptions, the rule requires funds to trade derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions) subject to a value-at-risk leverage limit, certain derivatives risk management program and reporting requirements. The rule went into effect on February 19, 2021 and funds will have an eighteen-month transition period to comply with the rule and related reporting requirements. At this time, management is evaluating the implications of these changes on the financial statements.

In October 2020, the SEC adopted a rule regarding the ability of a fund to invest in other funds. The rule allows a fund to acquire shares of another fund in excess of certain limitations currently imposed by the Act without obtaining individual exemptive relief from the SEC, subject to certain conditions. The rule also includes the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The effective date for the rule was January 19, 2021, and the compliance date for the rule was January 19, 2022. Management has implemented changes in connection with the rule and has determined that there is no material impact to the Porfolio's financial statements.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Act, and the SEC noted that this definition would apply in all contexts under the Act. The effective date for the rule was March 8, 2021. The SEC adopted an eighteen-month transition period beginning from the effective date for both the new rule and the associated new recordkeeping requirements. At this time, management is evaluating the implications of these changes on the financial statements.

3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

(a) Investment Valuation Policies The price of the Portfolio's shares is based on the Portfolio's NAV. The NAV of the Portfolio, or each of its share classes, as applicable, is determined by dividing the total value of portfolio investments and other assets, less any liabilities attributable to the Portfolio or class, by the total number of shares outstanding of the Portfolio or class.

On each day that the New York Stock Exchange ("NYSE") is open, Portfolio shares are ordinarily valued as of the close of regular trading (normally 4:00 p.m., Eastern time) ("NYSE Close"). Information that becomes known to the Portfolio or its agents after the time as of which NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or the NAV determined earlier that day. If regular trading on the NYSE closes earlier than scheduled, the Portfolio reserves the right to either (i) calculate its NAV as of the earlier closing time or (ii) calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day. The Portfolio generally does not calculate its NAV on days during which the NYSE is closed. However, if the NYSE is closed on a day it would normally be open for business, the Portfolio reserves the right to calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day or such other time that the Portfolio may determine.

For purposes of calculating NAV, portfolio securities and other assets for which market quotes are readily available are valued at market value. Market value is generally determined on the basis of official closing prices or the last reported sales prices, or if no sales are reported, based on quotes obtained from established market makers or prices (including evaluated prices) supplied by the Portfolio's approved pricing services, quotation reporting systems and other third-party sources (together, "Pricing Services"). The Portfolio will normally use pricing data for domestic equity securities received shortly after the NYSE Close and does not normally take into account trading, clearances or settlements that take place after the NYSE Close. If market value pricing is used, a foreign (non-U.S.) equity security traded on a foreign exchange or on more than one exchange is typically valued using pricing information from the exchange considered by PIMCO to be the primary exchange. A foreign (non-U.S.) equity security will be valued as of the close of trading on the foreign exchange, or the NYSE Close, if the NYSE Close occurs before the end of trading on the foreign exchange. Domestic and foreign (non-U.S.) fixed income securities, non-exchange traded derivatives, and equity options are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services using such data reflecting the principal markets for those securities. Prices obtained from Pricing Services may be based on, among other things, information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. Exchange-traded options, except equity options, futures and options on futures are valued at the settlement price determined by the relevant exchange, quotes obtained from a quotation reporting system, established market makers or pricing services. Swap agreements are valued on the basis of market-based prices supplied by Pricing Services or quotes obtained from brokers and dealers. The Portfolio's investments in open-end management investment companies, other than exchange-traded funds ("ETFs"), are valued at the NAVs of such investments. Open-end management investment companies may include affiliated funds.

If a foreign (non-U.S.) equity security's value has materially changed after the close of the security's primary exchange or principal market but before the NYSE Close, the security may be valued at fair value based on procedures established and approved by the Board of Trustees of the Trust (the "Board"). Foreign (non-U.S.) equity securities that do not trade when the NYSE is open are also valued at fair value. With respect to foreign (non-U.S.) equity securities, the Portfolio may determine the fair value of investments based on information provided by Pricing Services and other third-party vendors, which may recommend fair value or adjustments with reference to other securities, indices or assets. In considering whether fair valuation is required and in determining fair values, the Portfolio may, among other things, consider significant events (which may be considered to include changes in the value of U.S. securities or securities indices) that occur after the close of the relevant market and before the NYSE Close. The Portfolio may utilize modeling tools provided by third-party vendors to determine fair values of foreign (non-U.S.) securities. For these purposes, any movement in the applicable reference index or instrument ("zero trigger") between the earlier close of the applicable foreign market and the NYSE Close may be deemed to be a significant event, prompting the application of the pricing model (effectively resulting in daily fair valuations). Foreign exchanges may permit trading in foreign (non-U.S.) equity securities on days when the Trust is not open for business, which may result in the Portfolio's portfolio investments being affected when shareholders are unable to buy or sell shares.

Senior secured floating rate loans for which an active secondary market exists to a reliable degree are valued at the mean of the last available bid/ask prices in the market for such loans, as provided by a Pricing Service. Senior secured floating rate loans for which an active secondary market does not exist to a reliable degree are valued at fair value, which is intended to approximate market value. In valuing a senior secured floating rate loan at fair value, the factors considered may include, but are not limited to, the following: (a) the creditworthiness of the borrower and any intermediate participants, (b) the terms of the loan, (c) recent prices in the market for similar loans, if any, and (d) recent prices in the market for instruments of similar quality, rate, period until next interest rate reset and maturity.

Investments valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from Pricing Services. As a result, the value of such investments and, in turn, the NAV of the Portfolio's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of investments traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the Trust is not open for business. As a result, to the extent that the Portfolio holds foreign (non-U.S.) investments, the value of those investments may change at times when shareholders are unable to buy or sell shares and the value of such investments will be reflected in the Portfolio's next calculated NAV.

Investments for which market quotes or market based valuations are not readily available are valued at fair value as determined in good faith by the Board or persons acting at their direction. The Board has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available, and has delegated to the Adviser the responsibility for applying the fair valuation methods. In the event that market quotes or market based valuations are not readily available, and the security or asset cannot be valued pursuant to a Board approved valuation method, the value of the security or asset will be determined in good faith by the Board. Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information, bid/ask information, indicative market quotations ("Broker Quotes"), Pricing Services' prices), including where events occur after the close of the relevant market, but prior to the NYSE Close, that materially affect the values of the Portfolio's securities or assets. In addition, market quotes are considered not readily available when, due to extraordinary circumstances, the exchanges or markets on which the securities trade do not open for trading for the entire day and no other market prices are available. The Board has delegated, to the Adviser, the responsibility for monitoring significant events that may materially affect the values of the Portfolio's securities or assets and for determining whether the value of the applicable securities or assets should be reevaluated in light of such significant events.

When the Portfolio uses fair valuation to determine the value of a portfolio security or other asset for purposes of calculating its NAV, such investments will not be priced on the basis of quotes from the primary market in which they are traded, but rather may be priced by another method that the Board or persons acting at their direction believe reflects fair value. Fair valuation may require subjective determinations about the value of a security. While the Trust's policy is intended to result in a calculation of the Portfolio's NAV that fairly reflects security values as of the time of pricing, the Trust cannot ensure that fair values determined by the Board or persons acting at their direction would accurately reflect the price that the Portfolio could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by the Portfolio may differ from the value that would be realized if the securities were sold. The Portfolio's use of fair valuation may also help to deter "stale price arbitrage" as discussed under the "Frequent or Excessive Purchases, Exchanges and Redemptions" section in the Portfolio's prospectus.

(b) Fair Value Hierarchy U.S. GAAP describes fair value as the price that the Portfolio would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes inputs to valuation methods and requires disclosure of the fair value hierarchy, separately for each major category of assets and liabilities, that segregates fair value measurements into levels (Level 1, 2, or 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Levels 1, 2, and 3 of the fair value hierarchy are defined as follows:

- Level 1 — Quoted prices in active markets or exchanges for identical assets and liabilities.
- Level 2 — Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in

markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

- Level 3 — Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Board or persons acting at their direction that are used in determining the fair value of investments.

In accordance with the requirements of U.S. GAAP, the amounts of transfers into and out of Level 3, if material, are disclosed in the Notes to Schedule of Investments for the Portfolio.

For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to realized gain (loss), unrealized appreciation (depreciation), purchases and sales, accrued discounts (premiums), and transfers into and out of the Level 3 category during the period. The end of period value is used for the transfers between Levels of the Portfolio's assets and liabilities. Additionally, U.S. GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets or liabilities categorized as Level 3 in the fair value hierarchy. In accordance with the requirements of U.S. GAAP, a fair value hierarchy, and if material, a Level 3 reconciliation and details of significant unobservable inputs, have been included in the Notes to Schedule of Investments for the Portfolio.

(c) Valuation Techniques and the Fair Value Hierarchy

Level 1, Level 2 and Level 3 trading assets and trading liabilities, at fair value The valuation methods (or "techniques") and significant inputs used in determining the fair values of portfolio securities or other assets and liabilities categorized as Level 1, Level 2 and Level 3 of the fair value hierarchy are as follows:

Fixed income securities including corporate, convertible and municipal bonds and notes, U.S. government agencies, U.S. treasury obligations, sovereign issues, bank loans, convertible preferred securities and non-U.S. bonds are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The Pricing Services' internal models use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar assets. Securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Fixed income securities purchased on a delayed-delivery basis or as a repurchase commitment in a sale-buyback transaction are marked to market daily until settlement at the forward settlement date and are categorized as Level 2 of the fair value hierarchy.

Mortgage-related and asset-backed securities are usually issued as separate tranches, or classes, of securities within each deal. These securities are also normally valued by Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The pricing models for these securities usually consider tranche-level attributes, current market data, estimated cash flows and market-based yield spreads for each tranche, and incorporate deal collateral performance, as available. Mortgage-related and asset-backed securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Common stocks, ETFs, exchange-traded notes and financial derivative instruments, such as futures contracts, rights and warrants, or options on futures that are traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy.

Valuation adjustments may be applied to certain securities that are solely traded on a foreign exchange to account for the market movement between the close of the foreign market and the NYSE Close. These securities are valued using Pricing Services that consider the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments. Securities using these valuation adjustments are categorized as Level 2 of the fair value hierarchy. Preferred securities and other equities traded on inactive markets or valued by reference to similar instruments are also categorized as Level 2 of the fair value hierarchy.

Valuation adjustments may be applied to certain exchange traded futures and options to account for market movement between the exchange settlement and the NYSE close. These securities are valued using quotes obtained from a quotation reporting system, established market makers or pricing services. Financial derivatives using these valuation adjustments are categorized as Level 2 of the fair value hierarchy.

Investments in registered open-end investment companies (other than ETFs) will be valued based upon the NAVs of such investments and are categorized as Level 1 of the fair value hierarchy. Investments in unregistered open-end investment companies will be calculated based upon the NAVs of such investments and are considered Level 1 provided that the NAVs are observable, calculated daily and are the value at which both purchases and sales will be conducted.

Equity exchange-traded options and over the counter financial derivative instruments, such as forward foreign currency contracts and options contracts derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. These contracts are normally valued on the basis of quotes obtained from a quotation reporting system, established market makers or Pricing Services (normally determined as of the NYSE Close). Depending on the product and the terms of the transaction, financial derivative instruments can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as quoted prices, issuer details, indices, bid/ask spreads, interest rates, implied volatilities, yield curves, dividends and exchange rates. Financial derivative instruments that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Centrally cleared swaps and over the counter swaps derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. They are valued using a broker-dealer bid quotation or on market-based prices provided by Pricing Services (normally determined as of the NYSE Close). Centrally cleared swaps and over the counter swaps can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models may use inputs that are observed from actively quoted markets such as the overnight index swap rate, London Interbank Offered Rate forward rate, interest rates, yield curves and credit spreads. These securities are categorized as Level 2 of the fair value hierarchy.

When a fair valuation method is applied by the Adviser that uses significant unobservable inputs, investments will be priced by a method that the Board or persons acting at their direction believe reflects fair value and are categorized as Level 3 of the fair value hierarchy.

Proxy pricing procedures set the base price of a fixed income security and subsequently adjust the price proportionally to market value changes of a pre-determined security deemed to be comparable in duration, generally a U.S. Treasury or sovereign note based on country of issuance. The base price may be a broker-dealer quote, transaction price, or an internal value as derived by analysis of market data. The base price of the security may be reset on a periodic basis based on the availability of market data and procedures approved by the Valuation Oversight Committee. Significant changes in the unobservable inputs of the proxy pricing process (the base price) would result in direct and proportional changes in the fair value of the security. These securities are categorized as Level 3 of the fair value hierarchy.

Short-term debt instruments (such as commercial paper) having a remaining maturity of 60 days or less may be valued at amortized cost, so long as the amortized cost value of such short-term debt instruments is approximately the same as the fair value of the instrument as determined without the use of amortized cost valuation. These securities are categorized as Level 2 or Level 3 of the fair value hierarchy depending on the source of the base price.

4. SECURITIES AND OTHER INVESTMENTS

(a) Investments in Affiliates

The Portfolio may invest in the PIMCO Short Asset Portfolio and the PIMCO Short-Term Floating NAV Portfolio III (“Central Funds”) to the extent permitted by the Act and rules thereunder. The Central Funds are registered investment companies created for use solely by the series of the Trust and other series of registered investment companies advised by the Adviser, in connection with their cash management activities. The main investments of the Central Funds are money market and short maturity fixed income instruments. The Central Funds may incur expenses related to their investment activities, but do not pay Investment Advisory Fees or Supervisory and Administrative Fees to the Adviser. The Central Funds are considered to be affiliated with the Portfolio. A complete schedule of portfolio holdings for each affiliate fund is filed with the SEC for the first and third quarters of each fiscal year on Form N-PORT and is available at the SEC’s website at www.sec.gov. A copy of each affiliate fund’s shareholder report is also available at the SEC’s website at www.sec.gov, on the Portfolios’ website at www.pimco.com, or upon request, as applicable. The tables below show the Portfolio’s transactions in and earnings from investments in the affiliated Funds for the period ended December 31, 2021 (amounts in thousands†):

Investment in PIMCO Short Asset Portfolio

Market Value 12/31/2020	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2021	Dividend Income(1)	Realized Net Capital Gain Distributions(1)
$ 300	$ 3	$ 0	$ 0	$ (1)	$ 302	$ 3	$ 0

Investment in PIMCO Short-Term Floating NAV Portfolio III

Market Value 12/31/2020	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2021	Dividend Income(1)	Realized Net Capital Gain Distributions(1)
$ 8,729	$ 177,985	$ (166,600)	$ (187)	$ (276)	$ 19,651	$ 485	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

(1) The tax characterization of distributions is determined in accordance with Federal income tax regulations and may contain a return of capital. The actual tax characterization of distributions received is determined at the end of the fiscal year of the affiliated fund. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(b) Investments in Securities

The Portfolio may utilize the investments and strategies described below to the extent permitted by the Portfolio's investment policies.

Delayed-Delivery Transactions involve a commitment by the Portfolio to purchase or sell securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. When delayed-delivery transactions are outstanding, the Portfolio will designate or receive as collateral liquid assets in an amount sufficient to meet the purchase price or respective obligations. When purchasing a security on a delayed-delivery basis, the Portfolio assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations, and takes such fluctuations into account when determining its NAV. The Portfolio may dispose of or renegotiate a delayed-delivery transaction after it is entered into, which may result in a realized gain (loss). When the Portfolio has sold a security on a delayed-delivery basis, the Portfolio does not participate in future gains (losses) with respect to the security.

Inflation-Indexed Bonds are fixed income securities whose principal value is periodically adjusted by the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statement of Operations, even though investors do not receive their principal until maturity. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed in the case of U.S. Treasury Inflation-Protected Securities. For bonds that do not provide a similar guarantee, the adjusted principal value of the bond repaid at maturity may be less than the original principal.

Loans and Other Indebtedness, Loan Participations and Assignments are direct debt instruments which are interests in amounts owed to lenders or lending syndicates by corporate, governmental, or other borrowers. The Portfolio's investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties or investments in or originations of loans by the Portfolio. A loan is often administered by a bank or other financial institution (the "agent") that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. The Portfolio may invest in multiple series or tranches of a loan, which may have varying terms and carry different associated risks. When the Portfolio purchases assignments from agents it acquires direct rights against the borrowers of the loans. These loans may include participations in bridge loans, which are loans taken out by borrowers for a short period (typically less than one year) pending arrangement of more permanent financing through, for example, the issuance of bonds, frequently high yield bonds issued for the purpose of acquisitions.

The types of loans and related investments in which the Portfolio may invest include, among others, senior loans, subordinated loans (including second lien loans, B-Notes and mezzanine loans), whole loans, commercial real estate and other commercial loans and structured loans. The Portfolio may originate loans or acquire direct interests in loans through primary loan distributions and/or in private transactions. In the case of subordinated loans, there may be significant indebtedness ranking ahead of the borrower's obligation to the holder of such a loan, including in the event of the borrower's insolvency. Mezzanine loans are typically secured by a pledge of an equity interest in the mortgage borrower that owns the real estate rather than an interest in a mortgage.

Investments in loans may include unfunded loan commitments, which are contractual obligations for funding. Unfunded loan commitments may include revolving credit facilities, which may obligate the Portfolio to supply additional cash to the borrower on demand. Unfunded loan commitments represent a future obligation in full, even though a percentage of the committed amount may not be utilized by the borrower. When investing in a loan participation, the Portfolio has the right to receive payments of principal, interest and any fees to which it is entitled only from the agent selling the loan agreement and only upon receipt of payments by the agent from the borrower. The Portfolio may receive a commitment fee based on the undrawn portion of the underlying line of credit portion of a loan. In certain circumstances, the Portfolio may receive a penalty fee upon the prepayment of a loan by a borrower. Fees earned or paid are recorded as a component of interest income or interest expense, respectively, on the Statement of Operations. Unfunded loan commitments are reflected as a liability on the Statement of Assets and Liabilities.

Mortgage-Related and Other Asset-Backed Securities directly or indirectly represent a participation in, or are secured by and payable from, loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. These securities provide a monthly payment which consists of both interest and principal. Interest may be determined by fixed or adjustable rates. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may have the effect of shortening or extending the effective duration of the security relative to what was anticipated at the time of purchase. The timely payment of principal and interest of certain mortgage-related securities is guaranteed with the full faith and credit of the U.S. Government. Pools created and guaranteed by non-governmental issuers, including government-sponsored corporations, may be supported by various forms of insurance or guarantees, but there can be no assurance that private insurers or guarantors can meet their obligations under the insurance policies or guarantee arrangements. Many of the risks of investing in mortgage-related securities secured by commercial mortgage loans reflect the effects of local and other economic conditions on real estate markets, the ability of tenants to make lease payments, and the ability of a property to attract and retain tenants. These securities may be less liquid and may exhibit greater price volatility than other types of mortgage-related or other asset-backed securities. Other asset-backed securities are created from many types of assets, including, but not limited to, auto loans, accounts receivable, such as credit card receivables and hospital account receivables, home equity loans, student loans, boat loans, mobile home loans, recreational vehicle loans, manufactured housing loans, aircraft leases, computer leases and syndicated bank loans.

Collateralized Debt Obligations ("CDOs") include Collateralized Bond Obligations ("CBOs"), Collateralized Loan Obligations ("CLOs") and other similarly structured securities. CBOs and CLOs are types of asset-backed securities. A CBO is a trust which is backed by a diversified pool of high risk, below investment grade fixed income securities. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The risks of an investment in a CDO depend largely on the type of the collateral securities and the class of the CDO in which the Portfolio invests. In addition to the normal risks associated with fixed income securities discussed elsewhere in this report and the Portfolio's prospectus and statement of additional information (e.g., prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk (which may be exacerbated if the interest rate payable on a structured financing changes based on multiples of changes in interest rates or inversely to changes in interest rates)), CBOs, CLOs and other CDOs carry additional risks including, but not limited to, (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments, (ii) the quality of the collateral may decline in value or default, (iii) the risk that the Portfolio may invest in CBOs, CLOs, or other CDOs that are subordinate to other classes, and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

Collateralized Mortgage Obligations ("CMOs") are debt obligations of a legal entity that are collateralized by whole mortgage loans or private mortgage bonds and divided into classes. CMOs are structured into multiple classes, often referred to as "tranches", with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including prepayments. CMOs may be less liquid and may exhibit greater price volatility than other types of mortgage-related or asset-backed securities.

Stripped Mortgage-Backed Securities ("SMBS") are derivative multi-class mortgage securities. SMBS are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. An SMBS will have one class that will receive all of the interest (the interest-only or "IO" class), while the other class will receive the entire principal (the principal-only or "PO" class). Payments received for IOs are included in interest income on the Statement of Operations. Because no principal will be received at the maturity of an IO, adjustments are made to the cost of the security on a monthly basis until maturity. These adjustments are included in interest income on the Statement of Operations. Payments received for POs are treated as reductions to the cost and par value of the securities.

Payment In-Kind Securities may give the issuer the option at each interest payment date of making interest payments in either cash and/or additional debt securities. Those additional debt securities usually have the same terms, including maturity dates and interest rates, and associated risks as the original bonds. The daily market quotations of the original bonds may include the accrued interest (referred to as a dirty price) and require a pro rata adjustment from the unrealized appreciation (depreciation) on investments to interest receivable on the Statement of Assets and Liabilities.

Perpetual Bonds are fixed income securities with no maturity date but pay a coupon in perpetuity (with no specified ending or maturity date). Unlike typical fixed income securities, there is no obligation for perpetual bonds to repay principal. The coupon payments, however, are mandatory. While perpetual bonds have no maturity date, they may have a callable date in which the perpetuity is eliminated and the issuer may return the principal received on the specified call date. Additionally, a perpetual bond may have additional features, such as interest rate increases at periodic dates or an increase as of a predetermined point in the future.

Restricted Investments are subject to legal or contractual restrictions on resale and may generally be sold privately, but may be required to be registered or exempted from such registration before being sold to the public. Private placement securities are generally considered to be restricted except for those securities traded between qualified institutional investors under the provisions of Rule 144A of the Securities Act of 1933. Disposal of restricted investments may involve time-consuming negotiations and expenses, and prompt sale at an acceptable price may be difficult to achieve. Restricted investments held by the Portfolio as of December 31, 2021, as applicable, are disclosed in the Notes to Schedule of Investments.

Securities Issued by U.S. Government Agencies or Government-Sponsored Enterprises are obligations of and, in certain cases, guaranteed by, the U.S. Government, its agencies or instrumentalities. Some U.S. Government securities, such as Treasury bills, notes and bonds, and securities guaranteed by the Government National Mortgage Association, are supported by the full faith and credit of the U.S. Government; others, such as those of the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Department of the Treasury (the "U.S. Treasury"); and others, such as those of the Federal National Mortgage Association ("FNMA" or "Fannie Mae"), are supported by the discretionary authority of the U.S. Government to purchase the agency's obligations. U.S. Government securities may include zero coupon securities which do not distribute interest on a current basis and tend to be subject to a greater risk than interest-paying securities of similar maturities.

Government-related guarantors (i.e., not backed by the full faith and credit of the U.S. Government) include FNMA and the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"). FNMA is a government-sponsored corporation. FNMA purchases conventional (i.e., not insured or guaranteed by any government agency) residential mortgages from a list of approved seller/servicers which include state and federally chartered savings and loan associations, mutual savings banks, commercial banks and credit unions and mortgage bankers. Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA, but are not backed by the full faith and credit of the U.S. Government. FHLMC issues Participation Certificates ("PCs"), which are pass-through securities, each representing an undivided interest in a pool of residential mortgages. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but PCs are not backed by the full faith and credit of the U.S. Government.

In June 2019, FNMA and FHLMC started issuing Uniform Mortgage Backed Securities in place of their current offerings of TBA-eligible securities (the "Single Security Initiative"). The Single Security Initiative seeks to support the overall liquidity of the TBA market and aligns the characteristics of FNMA and FHLMC certificates. The effects that the Single Security Initiative may have on the market for TBA and other mortgage-backed securities are uncertain.

Roll-timing strategies can be used where the Portfolio seeks to extend the expiration or maturity of a position, such as a TBA security on an underlying asset, by closing out the position before expiration and opening a new position with respect to substantially the same underlying asset with a later expiration date. TBA securities purchased or sold are reflected on the Statement of Assets and Liabilities as an asset or liability, respectively. Recently finalized FINRA rules include mandatory margin requirements for the TBA market that requires the Portfolio to post collateral in connection with its TBA transactions. There is no similar requirement applicable to the Portfolio's TBA counterparties. The required collateralization of TBA trades could increase the cost of TBA transactions to the Portfolio and impose added operational complexity.

When-Issued Transactions are purchases or sales made on a when-issued basis. These transactions are made conditionally because a security, although authorized, has not yet been issued in the market. Transactions to purchase or sell securities on a when-issued basis involve a commitment by the Portfolio to purchase or sell these securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. The Portfolio may sell when-issued securities before they are delivered, which may result in a realized gain (loss).

5. BORROWINGS AND OTHER FINANCING TRANSACTIONS

The Portfolio may enter into the borrowings and other financing transactions described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on the Portfolio's ability to lend or borrow cash or securities to the extent permitted under the Act, which may be viewed as borrowing or financing transactions by the Portfolio. The location of these instruments in the Portfolio's financial statements is described below.

(a) Repurchase Agreements Under the terms of a typical repurchase agreement, the Portfolio purchases an underlying debt obligation (collateral) subject to an obligation of the seller to repurchase, and the Portfolio to resell, the obligation at an agreed-upon price and time. In an open maturity repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The underlying securities for all repurchase agreements are held by the Portfolio's custodian or designated subcustodians under tri-party repurchase agreements and in certain instances will remain in custody with the counterparty. The market value of the collateral must be equal to or exceed the total amount of the repurchase obligations, including interest. Repurchase agreements, if any, including accrued interest, are included on the Statement of Assets and Liabilities. Interest earned is recorded as a component of interest income on the Statement of Operations. In periods of increased demand for collateral, the Portfolio may pay a fee for the receipt of collateral, which may result in interest expense to the Portfolio.

(b) Reverse Repurchase Agreements In a reverse repurchase agreement, the Portfolio delivers a security in exchange for cash to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed upon price and date. In an open maturity reverse repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The Portfolio is entitled to receive principal and interest payments, if any, made on the security delivered to the counterparty during the term of the agreement. Cash received in exchange for securities delivered plus accrued interest payments to be made by the Portfolio to counterparties are reflected as a liability on the Statement of Assets and Liabilities. Interest payments made by the Portfolio to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Portfolio may receive a fee for use of the security by the counterparty, which may result in interest income to the Portfolio. The Portfolio will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under reverse repurchase agreements.

(c) Sale-Buybacks A sale-buyback financing transaction consists of a sale of a security by the Portfolio to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed-upon price and date. The Portfolio is not entitled to receive principal and interest payments, if any, made on the security sold to the counterparty during the term of the agreement. The agreed-upon proceeds for securities to be repurchased by the Portfolio are reflected as a liability on the Statement of Assets and Liabilities. The Portfolio will recognize net income represented by the price differential between the price received for the transferred security and the agreed-upon repurchase price. This is commonly referred to as the 'price drop.' A price drop consists of (i) the foregone interest and inflationary income adjustments, if any, the Portfolio would have otherwise received had the security not been sold and (ii) the negotiated financing terms between the Portfolio and counterparty. Foregone interest and inflationary income adjustments, if any, are recorded as components of interest income on the Statement of Operations. Interest payments based upon negotiated financing terms made by the Portfolio to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Portfolio may receive a fee for use of the security by the counterparty, which may result in interest income to the Portfolio. The Portfolio will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under sale-buyback transactions.

(d) Short Sales Short sales are transactions in which the Portfolio sells a security that it may not own. The Portfolio may make short sales of securities to (i) offset potential declines in long positions in similar securities, (ii) to increase the flexibility of the Portfolio, (iii) for investment return, (iv) as part of a risk arbitrage strategy, and (v) as part of its overall portfolio management strategies involving the use of derivative instruments. When the Portfolio engages in a short sale, it may borrow the security sold short and deliver it to the counterparty. The Portfolio will ordinarily have to pay a fee or premium to borrow a security and be obligated to repay the lender of the security any dividend or interest that accrues on the security during the period of the loan. Securities sold in short sale transactions and the dividend or interest payable on such securities, if any, are reflected as payable for short sales on the Statement of Assets and Liabilities. Short sales expose the Portfolio to the risk that it will be required to cover its short position at a time when the security or other asset has appreciated in value, thus resulting in losses to the Portfolio. A short sale is "against the box" if the Portfolio holds in its portfolio or has the right to acquire the security sold short, or securities identical to the security sold short, at no additional cost. The Portfolio will be subject to additional risks to the extent that it engages in short sales that are not "against the box." The Portfolio's loss on a short sale could theoretically be unlimited in cases where the Portfolio is unable, for whatever reason, to close out its short position.

(e) Interfund Lending In accordance with an exemptive order (the "Order") from the SEC, each Portfolio of the Trust may participate in a joint lending and borrowing facility for temporary purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by each Portfolio's investment policies and restrictions. Each Portfolio is currently permitted to borrow under the Interfund Lending Program. A lending portfolio may lend in aggregate up to 15% of its current net assets at the time of the interfund loan, but may not lend more than 5% of its net assets to any one borrowing portfolio through the Interfund Lending Program. A borrowing portfolio may not borrow through the Interfund Lending Program or from any other source if its total outstanding borrowings immediately after the borrowing would be more than 33 1/3% of its total assets (or any lower threshold provided for by the portfolio's investment restrictions). If a borrowing portfolio's total outstanding borrowings exceed 10% of its total assets, each of its outstanding interfund loans will be subject to collateralization of at least 102% of the outstanding principal value of the loan. All interfund loans are for temporary or emergency purposes and the interfund loan rate to be charged will be the average of the highest current overnight repurchase agreement rate available to a lending portfolio and the bank loan rate, as calculated according to a formula established by the Board.

On March 23, 2020, the SEC issued an exemptive order (the "Temporary Order") to provide temporary relief to each Portfolio of the Trust in relation to the Interfund Lending Program, and the Board has authorized the Portfolios to rely on the Temporary Order. With respect to interfund lending, the Temporary Order permitted, under certain conditions, a lending portfolio to lend in aggregate up to 25% of its current net assets at the time of the interfund loan and to make interfund loans with term limits of up to the expiration of the Temporary Order, notwithstanding the current limit of seven business days under the Order. The SEC provided notice in April 2021 that the Temporary Order would be terminated on April 30, 2021.

During the period ended December 31, 2021, the Portfolio did not participate in the Interfund Lending Program.

6. FINANCIAL DERIVATIVE INSTRUMENTS

The Portfolio may enter into the financial derivative instruments described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on how and why the Portfolio uses financial derivative instruments, and how financial derivative instruments affect the Portfolio's financial position, results of operations and cash flows. The location and fair value amounts of these instruments on the Statement of Assets and Liabilities and the net realized gain (loss) and net change in unrealized appreciation (depreciation) on the Statement of Operations, each categorized by type of financial derivative contract and related risk exposure, are included in a table in the Notes to Schedule of Investments. The financial derivative instruments outstanding as of period end and the amounts of net realized gain (loss) and net change in unrealized appreciation (depreciation) on financial derivative instruments during the period, as disclosed in the Notes to Schedule of Investments, serve as indicators of the volume of financial derivative activity for the Portfolio.

(a) Forward Foreign Currency Contracts may be engaged, in connection with settling planned purchases or sales of securities, to hedge the currency exposure associated with some or all of the Portfolio's securities or as part of an investment strategy. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. The market value of a forward foreign currency contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency contracts are marked to market daily, and the change in value is recorded by the Portfolio as an unrealized gain (loss). Realized gains (losses) are equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed and are recorded upon delivery or receipt of the currency. These contracts may involve market risk in excess of the unrealized gain (loss) reflected on the Statement of Assets and Liabilities. In addition, the Portfolio could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably to the U.S. dollar. To mitigate such risk, cash or securities may be exchanged as collateral pursuant to the terms of the underlying contracts.

(b) Futures Contracts are agreements to buy or sell a security or other asset for a set price on a future date and are traded on an exchange. The Portfolio may use futures contracts to manage its exposure to the securities markets or to movements in interest rates and currency values. The primary risks associated with the use of futures contracts are the imperfect correlation between the change in market value of the securities held by the Portfolio and the prices of futures contracts and the possibility of an illiquid market. Futures contracts are valued based upon their quoted daily settlement prices. Upon entering into a futures contract, the Portfolio is required to deposit with its futures broker an amount of cash, U.S. Government and Agency Obligations, or select sovereign debt, in accordance with the initial margin requirements of the broker or exchange. Futures contracts are marked to market daily and based on such movements in the price of the contracts, an appropriate payable or receivable for the change in value may be posted or collected by the Portfolio ("Futures Variation Margin"). Futures Variation Margins, if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Gains (losses) are recognized but not considered realized until the contracts expire or close. Futures contracts involve, to varying degrees, risk of loss in excess of the Futures Variation Margin included within exchange traded or centrally cleared financial derivative instruments on the Statement of Assets and Liabilities.

(c) Options Contracts may be written or purchased to enhance returns or to hedge an existing position or future investment. The Portfolio may write call and put options on securities and financial derivative instruments it owns or in which it may invest. Writing put options tends to increase the Portfolio's exposure to the underlying instrument. Writing call options tends to decrease the Portfolio's exposure to the underlying instrument. When the Portfolio writes a call or put, an amount equal to the premium received is recorded and subsequently marked to market to reflect the current value of the option written. These amounts are included on the Statement of Assets and Liabilities. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying futures, swap, security or currency transaction to determine the realized gain (loss). Certain options may be written with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The Portfolio as a writer of an option has no control over whether the underlying instrument may be sold ("call") or purchased ("put") and as a result bears the market risk of an unfavorable change in the price of the instrument underlying the written option. There is the risk the Portfolio may not be able to enter into a closing transaction because of an illiquid market.

Purchasing call options tends to increase the Portfolio's exposure to the underlying instrument. Purchasing put options tends to decrease the Portfolio's exposure to the underlying instrument. The Portfolio pays a premium which is included as an asset on the Statement of Assets and Liabilities and subsequently marked to market to reflect the current value of the option. Premiums paid for purchasing options which expire are treated as realized losses. Certain options may be purchased with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The risk associated with purchasing put and call options is limited to the premium paid. Premiums paid for purchasing options which are exercised or closed are added to the amounts paid or offset against the proceeds on the underlying investment transaction to determine the realized gain (loss) when the underlying transaction is executed.

Credit Default Swaptions may be written or purchased to hedge exposure to the credit risk of an investment without making a commitment to the underlying instrument. A credit default swaption is an option to sell or buy credit protection on a specific reference by entering into a pre-defined swap agreement by some specified date in the future.

Foreign Currency Options may be written or purchased to be used as a short or long hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

Interest Rate-Capped Options may be written or purchased to enhance returns or for hedging opportunities. The purpose of purchasing interest rate-capped options is to protect the Portfolio from floating rate risk above a certain rate on a given notional exposure. A floor can be used to give downside protection to investments in interest rate linked products.

Interest Rate Swaptions may be written or purchased to enter into a pre-defined swap agreement or to shorten, extend, cancel or otherwise modify an existing swap agreement, by some specified date in the future. The writer of the swaption becomes the counterparty to the swap if the buyer exercises. The interest rate swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer upon exercise.

Options on Exchange-Traded Futures Contracts ("Futures Option") may be written or purchased to hedge an existing position or future investment, for speculative purposes or to manage exposure to market movements. A Futures Option is an option contract in which the underlying instrument is a single futures contract.

Options on Securities may be written or purchased to enhance returns or to hedge an existing position or future investment. An option on a security uses a specified security as the underlying instrument for the option contract.

(d) Swap Agreements are bilaterally negotiated agreements between the Portfolio and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. Swap agreements may be privately negotiated in the over the counter market ("OTC swaps") or may be cleared through a third party, known as a central counterparty or derivatives clearing organization ("Centrally Cleared Swaps"). The Portfolio may enter into asset, credit default, cross-currency, interest rate, total return, variance and other forms of swap agreements to manage its exposure to credit, currency, interest rate, commodity, equity and inflation risk. In connection with these agreements, securities or cash may be identified as collateral or margin in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

Centrally Cleared Swaps are marked to market daily based upon valuations as determined from the underlying contract or in accordance with the requirements of the central counterparty or derivatives clearing organization. Changes in market value, if any, are reflected as a component of net change in unrealized appreciation (depreciation) on the Statement of Operations. Daily changes in valuation of centrally cleared swaps ("Swap Variation Margin"), if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Centrally Cleared and OTC swap payments received or paid at the beginning of the measurement period are included on the Statement of Assets and Liabilities and represent premiums paid or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). Upfront premiums received (paid) are initially recorded as liabilities (assets) and subsequently marked to market to reflect the current value of the swap. These upfront premiums are recorded as realized gain (loss) on the Statement of Operations upon termination or maturity of the swap. A liquidation payment received or made at the termination of the swap is recorded as realized gain (loss) on the Statement of Operations. Net periodic payments received or paid by the Portfolio are included as part of realized gain (loss) on the Statement of Operations.

For purposes of applying certain of the Portfolio's investment policies and restrictions, swap agreements, like other derivative instruments, may be valued by the Portfolio at market value, notional value or full exposure value. In the case of a credit default swap, in applying certain of the Portfolio's investment policies and restrictions, the Portfolio will value the credit default swap at its notional value or its full exposure value (i.e., the sum of the notional amount for the contract plus the market value), but may value the credit default swap at market value for purposes of applying certain of the Portfolio's other investment policies and restrictions. For example, the Portfolio may value credit default swaps at full exposure value for purposes of the Portfolio's credit quality guidelines (if any) because such value in general better reflects the Portfolio's actual economic exposure during the term of the credit default swap agreement. As a result, the Portfolio may, at times, have notional exposure to an asset class (before netting) that is greater or lesser than the stated limit or restriction noted in the Portfolio's prospectus. In this context, both the notional amount and the market value may be positive or negative depending on whether the Portfolio is selling or buying protection through the credit default swap. The manner in which certain securities or other instruments are valued by the Portfolio for purposes of applying investment policies and restrictions may differ from the manner in which those investments are valued by other types of investors.

Entering into swap agreements involves, to varying degrees, elements of interest, credit, market and documentation risk in excess of the amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements and that there may be unfavorable changes in interest rates or the values of the asset upon which the swap is based.

The Portfolio's maximum risk of loss from counterparty credit risk is the discounted net value of the cash flows to be received from the counterparty over the contract's remaining life, to the extent that amount is positive. The risk may be mitigated by having a master netting arrangement between the Portfolio and the counterparty and by the posting of collateral to the Portfolio to cover the Portfolio's exposure to the counterparty.

To the extent the Portfolio has a policy to limit the net amount owed to or to be received from a single counterparty under existing swap agreements, such limitation only applies to counterparties to OTC swaps and does not apply to centrally cleared swaps where the counterparty is a central counterparty or derivatives clearing organization.

Credit Default Swap Agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues are entered into to provide a measure of protection against defaults of the issuers (i.e., to reduce risk where the Portfolio owns or has exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood of a particular issuer's default. Credit default swap agreements involve one party making a stream of payments (referred to as the buyer of protection) to another party (the seller of protection) in exchange for the right to receive a specified return in the event that the referenced entity, obligation or index, as specified in the swap agreement, undergoes a certain credit event. As a seller of protection on credit default swap agreements, the Portfolio will generally receive from the buyer of protection a fixed rate of income throughout the term of the swap provided that there is no credit event. As the seller, the Portfolio would effectively add leverage to its portfolio because, in addition to its total net assets, the Portfolio would be subject to investment exposure on the notional amount of the swap.

If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are estimated by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred, the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event).

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset-backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and for most indices, each name has an equal weight in the index. Credit default swaps on credit indices may be used to hedge a portfolio of credit default swaps or bonds, which is less expensive than it would be to buy many credit default swaps to achieve a similar effect. Credit default swaps on indices are instruments for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues as of period end, if any, are disclosed in the Notes to Schedule of Investments. They serve as an indicator of the current status of payment/performance risk and represent the likelihood or risk of default for the reference entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that the Portfolio as a seller of protection could be required to make under a credit default swap agreement equals the notional amount of the agreement. Notional amounts of each individual credit default swap agreement outstanding as of period end for which the Portfolio is the seller of protection are disclosed in the Notes to Schedule of Investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Portfolio for the same referenced entity or entities.

Cross-Currency Swap Agreements are entered into to gain or mitigate exposure to currency risk. Cross-currency swap agreements involve two parties exchanging two different currencies with an agreement to reverse the exchange at a later date at specified exchange rates. The exchange of currencies at the inception date of the contract takes place at the current spot rate. The re-exchange at maturity may take place at the same exchange rate, a specified rate, or the then current spot rate. Interest payments, if applicable, are made between the parties based on interest rates available in the two currencies at the inception of the contract. The terms of cross-currency swap contracts may extend for many years. Cross-currency swaps are usually negotiated with commercial and investment banks. Some cross-currency swaps may not provide for exchanging principal cash flows, but only for exchanging interest cash flows.

Interest Rate Swap Agreements may be entered into to help hedge against interest rate risk exposure and to maintain the Portfolio's ability to generate income at prevailing market rates. The value of the fixed rate bonds that the Portfolio holds may decrease if interest rates rise. To help hedge against this risk and to maintain its ability to generate income at prevailing market rates, the Portfolio may enter into interest rate swap agreements. Interest rate swap agreements involve the exchange by the Portfolio with another party for their respective commitment to pay or receive interest on the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap," (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or "floor," (iii) interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the buyer pays an upfront fee in consideration for the right to early terminate the swap transaction in whole, at zero cost and at a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swaps, under which two parties can exchange variable interest rates based on different segments of money markets.

Total Return Swap Agreements are entered into to gain or mitigate exposure to the underlying reference asset. Total return swap agreements involve commitments where single or multiple cash flows are exchanged based on the price of an underlying reference asset and on a fixed or variable interest rate. Total return swap agreements may involve commitments to pay interest in exchange for a market-linked return. One counterparty pays out the total return of a specific underlying reference asset, which may include a single security, a basket of securities, or an index, and in return receives a fixed or variable rate. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference asset less a financing rate, if any. As a receiver, the Portfolio would receive payments based on any net positive total return and would owe payments in the event of a net negative total return. As the payer, the Portfolio would owe payments on any net positive total return, and would receive payments in the event of a net negative total return.

7. PRINCIPAL AND OTHER RISKS

(a) Principal Risks

The principal risks of investing in the Portfolio, which could adversely affect its net asset value, yield and total return, are listed below. Please see "Description of Principal Risks" in the Portfolio's prospectus for a more detailed description of the risks of investing in the Portfolio.

Interest Rate Risk is the risk that fixed income securities will decline in value because of an increase in interest rates; a portfolio with a longer average portfolio duration will be more sensitive to changes in interest rates than a portfolio with a shorter average portfolio duration.

Call Risk is the risk that an issuer may exercise its right to redeem a fixed income security earlier than expected (a call). Issuers may call outstanding securities prior to their maturity for a number of reasons (e.g., declining interest rates, changes in credit spreads and improvements in the issuer's credit quality). If an issuer calls a security that the Portfolio has invested in, the Portfolio may not recoup the full amount of its initial investment and may be forced to reinvest in lower-yielding securities, securities with greater credit risks or securities with other, less favorable features.

Credit Risk is the risk that the Portfolio could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivative contract, is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to meet its financial obligations.

High Yield Risk is the risk that high yield securities and unrated securities of similar credit quality (commonly known as "junk bonds") are subject to greater levels of credit, call and liquidity risks. High yield securities are considered primarily speculative with respect to the issuer's continuing ability to make principal and interest payments, and may be more volatile than higher-rated securities of similar maturity.

Market Risk is the risk that the value of securities owned by the Portfolio may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

Issuer Risk is the risk that the value of a security may decline for a reason directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Liquidity Risk is the risk that a particular investment may be difficult to purchase or sell and that the Portfolio may be unable to sell illiquid investments at an advantageous time or price or achieve its desired level of exposure to a certain sector. Liquidity risk may result from the lack of an active market, reduced number and capacity of traditional market participants to make a market in fixed income securities, and may be magnified in a rising interest rate environment or other circumstances where investor redemptions from fixed income funds may be higher than normal, causing increased supply in the market due to selling activity.

Derivatives Risk is the risk of investing in derivative instruments (such as futures, swaps and structured securities), including leverage, liquidity, interest rate, market, credit and management risks, and valuation complexity. Changes in the value of a derivative may not correlate perfectly with, and may be more sensitive to market events than, the underlying asset, rate or index, and the Portfolio could lose more than the initial amount invested. The Portfolio's use of derivatives may result in losses to the Portfolio, a reduction in the Portfolio's returns and/or increased volatility. Over-the-counter ("OTC") derivatives are also subject to the risk that a counterparty to the transaction will not fulfill its contractual obligations to the other party, as many of the protections afforded to centrally-cleared derivative transactions might not be available for OTC derivatives. The primary credit risk on derivatives that are exchange-traded or traded through a central clearing counterparty resides with the Portfolio's clearing broker or the clearinghouse. Changes in regulation relating to a mutual fund's use of derivatives and related instruments could potentially limit or impact the Portfolio's ability to invest in derivatives, limit the Portfolio's ability to employ certain strategies that use derivatives and/or adversely affect the value of derivatives and the Portfolio's performance.

Equity Risk is the risk that the value of equity securities, such as common stocks and preferred securities, may decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.

Mortgage-Related and Other Asset-Backed Securities Risk is the risk of investing in mortgage-related and other asset-backed securities, including interest rate risk, extension risk, prepayment risk and credit risk.

Foreign (Non-U.S.) Investment Risk is the risk that investing in foreign (non-U.S.) securities may result in the Portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies, due to smaller markets, differing reporting, accounting and auditing standards, increased risk of delayed settlement of portfolio transactions or loss of certificates of portfolio securities, and the risk of unfavorable foreign government actions, including nationalization, expropriation or confiscatory taxation, currency blockage, or political changes or diplomatic developments. Foreign securities may also be less liquid and more difficult to value than securities of U.S. issuers.

Emerging Markets Risk is the risk of investing in emerging market securities, primarily increased foreign (non-U.S.) investment risk.

Sovereign Debt Risk is the risk that investments in fixed income instruments issued by sovereign entities may decline in value as a result of default or other adverse credit event resulting from an issuer's inability or unwillingness to make principal or interest payments in a timely fashion.

Currency Risk is the risk that foreign (non-U.S.) currencies will change in value relative to the U.S. dollar and affect the Portfolio's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

Issuer Non-Diversification Risk is the risk of focusing investments in a small number of issuers, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be. Portfolios that are "non-diversified" may invest a greater percentage of their assets in the securities of a single issuer (such as bonds issued by a particular state) than portfolios that are "diversified".

Leveraging Risk is the risk that certain transactions of the Portfolio, such as reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed delivery or forward commitment transactions, or derivative instruments, may give rise to leverage, magnifying gains and losses and causing the Portfolio to be more volatile than if it had not been leveraged. This means that leverage entails a heightened risk of loss.

Management Risk is the risk that the investment techniques and risk analyses applied by PIMCO will not produce the desired results and that actual or potential conflicts of interest, legislative, regulatory, or tax restrictions, policies or developments may affect the investment techniques available to PIMCO and the individual portfolio manager in connection with managing the Portfolio and may cause PIMCO to restrict or prohibit participation in certain investments. There is no guarantee that the investment objective of the Portfolio will be achieved.

Short Exposure Risk is the risk of entering into short sales, including the potential loss of more money than the actual cost of the investment, and the risk that the third party to the short sale will not fulfill its contractual obligations, causing a loss to the Portfolio.

LIBOR Transition Risk is the risk related to the anticipated discontinuation of the London Interbank Offered Rate ("LIBOR"). Certain instruments held by a Portfolio rely in some fashion upon LIBOR. Although the transition process away from LIBOR has become increasingly well-defined in advance of the anticipated discontinuation date, there remains uncertainty regarding the nature of any replacement rate, and any potential effects of the transition away from LIBOR on a Portfolio or on certain instruments in which the Portfolio invests can be difficult to ascertain. The transition process may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR and may result in a reduction in the value of certain instruments held by a Portfolio.

(b) Other Risks
In general, the Portfolio may be subject to additional risks, including, but not limited to, risks related to government regulation and intervention in financial markets, operational risks, risks associated with financial, economic and global market disruptions, and cybersecurity risks. Please see the Portfolio's prospectus and Statement of Additional Information for a more detailed description of the risks of investing in the Portfolio. Please see the Important Information section of this report for additional discussion of certain regulatory and market developments that may impact the Portfolio's performance.

Market Disruption Risk The Portfolio is subject to investment and operational risks associated with financial, economic and other global market developments and disruptions, including those arising from war, terrorism, market manipulation, government interventions, defaults and shutdowns, political changes or diplomatic developments, public health emergencies (such as the spread of infectious diseases, pandemics and epidemics) and natural/environmental disasters, which can all negatively impact the securities markets and cause the Portfolio to lose value. These events can also impair the technology and other operational systems upon which the Portfolio's service providers, including PIMCO as the Portfolio's investment adviser, rely, and could otherwise disrupt the Portfolio's service providers' ability to fulfill their obligations to the Portfolio. For example, the recent spread of an infectious respiratory illness caused by a novel strain of coronavirus (known as COVID-19) has caused volatility, severe market dislocations and liquidity constraints in many markets, including markets for the securities the Portfolio holds, and may adversely affect the Portfolio's investments and operations. Please see the Important Information section for additional discussion of the COVID-19 pandemic.

Government Intervention in Financial Markets Federal, state, and other governments, their regulatory agencies, or self-regulatory organizations may take actions that affect the regulation of the instruments in which the Portfolio invests, or the issuers of such instruments, in ways that are unforeseeable. Legislation or regulation may also change the way in which the Portfolio itself is regulated. Such legislation or regulation could limit or preclude the Portfolio's ability to achieve its investment objective. Furthermore, volatile financial markets can expose the Portfolio to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by the Portfolio. The value of the Portfolio's holdings is also generally subject to the risk of future local, national, or global economic disturbances based on unknown weaknesses in the markets in which the Portfolio invests. In addition, it is not certain that the U.S. Government will intervene in response to a future market disturbance and the effect of any such future intervention cannot be predicted. It is difficult for issuers to prepare for the impact of future financial downturns, although companies can seek to identify and manage future uncertainties through risk management programs.

Regulatory Risk Financial entities, such as investment companies and investment advisers, are generally subject to extensive government regulation and intervention. Government regulation and/or intervention may change the way the Portfolio is regulated, affect the expenses incurred directly by the Portfolio and the value of its investments, and limit and/or preclude the Portfolio's ability to achieve its investment objective. Government regulation may change frequently and may have significant adverse consequences. Moreover, government regulation may have unpredictable and unintended effects.

Operational Risk An investment in the Portfolio, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failures in systems and technology, changes in personnel and errors caused by third-party service providers. The occurrence of any of these failures, errors or breaches could result in a loss of information, regulatory scrutiny, reputational damage or other events, any of which could have a material adverse effect on the Portfolio. While the Portfolio seeks to minimize such events through controls and oversight, there may still be failures that could cause losses to the Portfolio.

Cyber Security Risk As the use of technology has become more prevalent in the course of business, the Portfolio has become potentially more susceptible to operational and information security risks resulting from breaches in cyber security. A breach in cyber security refers to both intentional and unintentional cyber events that may, among other things, cause the Portfolio to lose proprietary information, suffer data corruption and/or destruction or lose operational capacity, result in the unauthorized release or other misuse of confidential information, or otherwise disrupt normal business operations. Cyber security failures or breaches may result in financial losses to the Portfolio and its shareholders. These failures or breaches may also result in disruptions to business operations, potentially resulting in financial losses; interference with the Portfolio's ability to calculate its net asset value, process shareholder transactions or otherwise transact business with shareholders; impediments to trading; violations of applicable privacy and other laws; regulatory fines; penalties; reputational damage; reimbursement or other compensation costs; additional compliance and cyber security risk management costs and other adverse consequences. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future.

8. MASTER NETTING ARRANGEMENTS

The Portfolio may be subject to various netting arrangements ("Master Agreements") with select counterparties. Master Agreements govern the terms of certain transactions, and are intended to reduce the counterparty risk associated with relevant transactions by specifying credit protection mechanisms and providing standardization that is intended to improve legal certainty. Each type of Master Agreement governs certain types of transactions. Different types of transactions may be traded out of different legal entities or affiliates of a particular organization, resulting in the need for multiple agreements with a single counterparty. As the Master Agreements are specific to unique operations of different asset types, they allow the Portfolio to close out and net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single Master Agreement with a counterparty. For financial reporting purposes the

Statement of Assets and Liabilities generally presents derivative assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting.

Master Agreements can also help limit counterparty risk by specifying collateral posting arrangements at pre-arranged exposure levels. Under most Master Agreements, collateral is routinely transferred if the total net exposure to certain transactions (net of existing collateral already in place) governed under the relevant Master Agreement with a counterparty in a given account exceeds a specified threshold, which typically ranges from zero to $250,000 depending on the counterparty and the type of Master Agreement. United States Treasury Bills and U.S. dollar cash are generally the preferred forms of collateral, although other securities may be used depending on the terms outlined in the applicable Master Agreement. Securities and cash pledged as collateral are reflected as assets on the Statement of Assets and Liabilities as either a component of Investments at value (securities) or Deposits with counterparty. Cash collateral received is not typically held in a segregated account and as such is reflected as a liability on the Statement of Assets and Liabilities as Deposits from counterparty. The market value of any securities received as collateral is not reflected as a component of NAV. The Portfolio’s overall exposure to counterparty risk can change substantially within a short period, as it is affected by each transaction subject to the relevant Master Agreement.

Master Repurchase Agreements and Global Master Repurchase Agreements (individually and collectively “Master Repo Agreements”) govern repurchase, reverse repurchase, and certain sale-buyback transactions between the Portfolio and select counterparties. Master Repo Agreements maintain provisions for, among other things, initiation, income payments, events of default, and maintenance of collateral. The market value of transactions under the Master Repo Agreement, collateral pledged or received, and the net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

Master Securities Forward Transaction Agreements (“Master Forward Agreements”) govern certain forward settling transactions, such as TBA securities, delayed-delivery or certain sale-buyback transactions by and between the Portfolio and select counterparties. The Master Forward Agreements maintain provisions for, among other things, transaction initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral. The market value of forward settling transactions, collateral pledged or received, and the net exposure by counterparty as of period end is disclosed in the Notes to Schedule of Investments.

Customer Account Agreements and related addenda govern cleared derivatives transactions such as futures, options on futures, and cleared OTC derivatives. Such transactions require posting of initial margin as determined by each relevant clearing agency which is segregated in an account at a futures commission merchant (“FCM”) registered with the Commodity Futures Trading Commission. In the United States, counterparty risk may be reduced as creditors of an FCM cannot have a claim to Portfolio assets in the segregated account. Portability of exposure reduces risk to the Portfolio. Variation margin, which reflects changes in market value, is generally exchanged daily, but may not be netted between futures and cleared OTC derivatives unless the parties have agreed to a separate arrangement in respect of portfolio margining. The market value or accumulated unrealized appreciation (depreciation), initial margin posted, and any unsettled variation margin as of period end are disclosed in the Notes to Schedule of Investments.

International Swaps and Derivatives Association, Inc. Master Agreements and Credit Support Annexes (“ISDA Master Agreements”) govern bilateral OTC derivative transactions entered into by the Portfolio with select counterparties. ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral posting and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. The ISDA Master Agreement may contain additional provisions that add counterparty protection beyond coverage of existing daily exposure if the counterparty has a decline in credit quality below a predefined level or as required by regulation. Similarly, if required by regulation, the Portfolio may be required to post additional collateral beyond coverage of daily exposure. These amounts, if any, may (or if required by law, will) be segregated with a third-party custodian. To the extent the Portfolio is required by regulation to post additional collateral beyond coverage of daily exposure, it could potentially incur costs, including in procuring eligible assets to meet collateral requirements, associated with such posting. The market value of OTC financial derivative instruments, collateral received or pledged, and net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

9. FEES AND EXPENSES

(a) Investment Advisory Fee PIMCO is a majority-owned subsidiary of Allianz Asset Management of America L.P. (“Allianz Asset Management”) and serves as the Adviser to the Trust, pursuant to an investment advisory contract. The Adviser receives a monthly fee from the Portfolio at an annual rate based on average daily net assets (the “Investment Advisory Fee”). The Investment Advisory Fee for all classes is charged at an annual rate as noted in the table in note (b) below.

(b) Supervisory and Administrative Fee PIMCO serves as administrator (the "Administrator") and provides supervisory and administrative services to the Trust for which it receives a monthly supervisory and administrative fee based on each share class's average daily net assets (the "Supervisory and Administrative Fee"). As the Administrator, PIMCO bears the costs of various third-party services, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs.

The Investment Advisory Fee and Supervisory and Administrative Fees for all classes, as applicable, are charged at the annual rate as noted in the following table (calculated as a percentage of the Portfolio's average daily net assets attributable to each class):

Investment Advisory Fee	Supervisory and Administrative Fee		
All Classes	Institutional Class	Administrative Class	Advisor Class
0.25%	0.50%	0.50%	0.50%

(c) Distribution and Servicing Fees PIMCO Investments LLC, a wholly-owned subsidiary of PIMCO, serves as the distributor ("Distributor") of the Trust's shares.

The Trust has adopted an Administrative Services Plan with respect to the Administrative Class shares of the Portfolio pursuant to Rule 12b-1 under the Act (the "Administrative Plan"). Under the terms of the Administrative Plan, the Trust is permitted to compensate the Distributor, out of the Administrative Class assets of the Portfolio, in an amount up to 0.15% on an annual basis of the average daily net assets of that class, for providing or procuring through financial intermediaries administrative, recordkeeping and investor services for Administrative Class shareholders of the Portfolio.

The Trust has adopted a separate Distribution and Servicing Plan for the Advisor Class shares of the Portfolio (the "Distribution and Servicing Plan"). The Distribution and Servicing Plan has been adopted pursuant to Rule 12b-1 under the Act. The Distribution and Servicing Plan permits the Portfolio to compensate the Distributor for providing or procuring through financial intermediaries, distribution, administrative, recordkeeping, shareholder and/or related services with respect to Advisor Class shares. The Distribution and Servicing Plan permits the Portfolio to make total payments at an annual rate of up to 0.25% of its average daily net assets attributable to its Advisor Class shares.

	Distribution Fee	Servicing Fee
Administrative Class	—	0.15%
Advisor Class	0.25%	—

(d) Portfolio Expenses PIMCO provides or procures supervisory and administrative services for shareholders and also bears the costs of various third-party services required by the Portfolio, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs. The Trust is responsible for the following expenses: (i) salaries and other compensation of any of the Trust's executive officers and employees who are not officers, directors, stockholders, or employees of PIMCO or its subsidiaries or affiliates; (ii) taxes and governmental fees; (iii) brokerage fees and commissions and other portfolio transaction expenses; (iv) the costs of borrowing money, including interest expenses; (v) fees and expenses of the Trustees who are not "interested persons" of PIMCO or the Trust, and any counsel retained exclusively for their benefit; (vi) extraordinary expenses, including costs of litigation and indemnification expenses; (vii) organizational expenses; and (viii) any expenses allocated or allocable to a specific class of shares, which include service fees payable with respect to the Administrative Class Shares, and may include certain other expenses as permitted by the Trust's Multi-Class Plan adopted pursuant to Rule 18f-3 under the Act and subject to review and approval by the Trustees. The ratio of expenses to average net assets per share class, as disclosed on the Financial Highlights, may differ from the annual portfolio operating expenses per share class.

The Trust pays no compensation directly to any Trustee or any other officer who is affiliated with the Administrator, all of whom receive remuneration for their services to the Trust from the Administrator or its affiliates.

(e) Expense Limitation Pursuant to the Expense Limitation Agreement, PIMCO has agreed, through May 1, 2022, to waive a portion of the Portfolio's Supervisory and Administrative Fee, or reimburse the Portfolio, to the extent that the Portfolio's organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata share of Trustee Fees exceed 0.0049%, the "Expense Limit" (calculated as a percentage of the Portfolio's average daily net assets attributable to each class). The Expense Limitation Agreement will automatically renew for one-year terms unless PIMCO provides written notice to the Trust at least 30 days prior to the end of the then current term. The waiver is reflected on the Statement of Operations as a component of Waiver and/or Reimbursement by PIMCO.

In any month in which the supervision and administration agreement is in effect, PIMCO is entitled to reimbursement by the Portfolio of any portion of the supervisory and administrative fee waived or reimbursed as set forth above (the "Reimbursement Amount") during the previous thirty-six months from the date of the waiver, provided that such amount paid to PIMCO will not: i) together with any organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata Trustee fees, exceed, for such month, the Expense Limit (or the amount of the expense limit in place at the time the amount being recouped was originally waived if lower than the Expense Limit); ii) exceed the total Reimbursement Amount; or iii) include any amounts previously reimbursed to PIMCO. At December 31, 2021, there were no recoverable amounts.

10. RELATED PARTY TRANSACTIONS

The Adviser, Administrator, and Distributor are related parties. Fees paid to these parties are disclosed in Note 9, Fees and Expenses, and the accrued related party fee amounts are disclosed on the Statement of Assets and Liabilities.

The Portfolio is permitted to purchase or sell securities from or to certain related affiliated portfolios under specified conditions outlined in procedures adopted by the Board. The procedures have been designed to ensure that any purchase or sale of securities by the Portfolio from or to another fund or portfolio that are, or could be, considered an affiliate, or an affiliate of an affiliate, by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 under the Act. Further, as defined under the procedures, each transaction is effected at the current market price. Purchases and sales of securities pursuant to Rule 17a-7 under the Act for the period ended December 31, 2021, were as follows (amounts in thousands†):

Purchases	Sales
$ 9,767	$ 1,778

† A zero balance may reflect actual amounts rounding to less than one thousand.

11. GUARANTEES AND INDEMNIFICATIONS

Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust (including the Trust's investment manager) is indemnified, to the extent permitted by the Act, against certain liabilities that may arise out of performance of their duties to the Portfolio. Additionally, in the normal course of business, the Portfolio enters into contracts that contain a variety of indemnification clauses. The Portfolio's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Portfolio that have not yet occurred. However, the Portfolio has not had prior claims or losses pursuant to these contracts.

12. PURCHASES AND SALES OF SECURITIES

The length of time the Portfolio has held a particular security is not generally a consideration in investment decisions. A change in the securities held by the Portfolio is known as "portfolio turnover." The Portfolio may engage in frequent and active trading of portfolio securities to achieve its investment objective, particularly during periods of volatile market movements. High portfolio turnover may involve correspondingly greater transaction costs, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities, which are borne by the Portfolio. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are generally taxed at ordinary income tax rates when distributed to shareholders). The transaction costs associated with portfolio turnover may adversely affect the Portfolio's performance. The portfolio turnover rates are reported in the Financial Highlights.

Purchases and sales of securities (excluding short-term investments) for the period ended December 31, 2021, were as follows (amounts in thousands†):

U.S. Government/Agency		All Other	
Purchases	Sales	Purchases	Sales
$ 2,368,659	$ 2,595,042	$ 300,617	$ 222,356

† A zero balance may reflect actual amounts rounding to less than one thousand.

13. SHARES OF BENEFICIAL INTEREST

The Trust may issue an unlimited number of shares of beneficial interest with a $0.001 par value. Changes in shares of beneficial interest were as follows (shares and amounts in thousands†):

	Year Ended 12/31/2021		Year Ended 12/31/2020	
	Shares	Amount	Shares	Amount
Receipts for shares sold				
Institutional Class	8,828	$ 97,288	6,857	$ 75,955
Administrative Class	2,456	26,988	2,710	30,232
Advisor Class	3,183	35,064	3,520	39,044
Issued as reinvestment of distributions				
Institutional Class	220	2,400	108	1,179
Administrative Class	176	1,915	407	4,421
Advisor Class	1,080	11,780	2,458	26,678
Cost of shares redeemed				
Institutional Class	(5,365)	(59,277)	(240)	(2,639)
Administrative Class	(1,935)	(21,404)	(3,185)	(35,302)
Advisor Class	(1,315)	(14,412)	(4,692)	(51,804)
Net increase (decrease) resulting from Portfolio share transactions	7,328	$ 80,342	7,943	$ 87,764

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2021, one shareholder owned 10% or more of the Portfolio's total outstanding shares comprising 72% of the Portfolio.

14. REGULATORY AND LITIGATION MATTERS

The Portfolio is not named as a defendant in any material litigation or arbitration proceedings and is not aware of any material litigation or claim pending or threatened against it.

The foregoing speaks only as of the date of this report.

15. FEDERAL INCOME TAX MATTERS

The Portfolio intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code (the "Code") and distribute all of its taxable income and net realized gains, if applicable, to shareholders. Accordingly, no provision for Federal income taxes has been made.

The Portfolio may be subject to local withholding taxes, including those imposed on realized capital gains. Any applicable foreign capital gains tax is accrued daily based upon net unrealized gains, and may be payable following the sale of any applicable investments.

In accordance with U.S. GAAP, the Adviser has reviewed the Portfolio's tax positions for all open tax years. As of December 31, 2021, the Portfolio has recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions it has taken or expects to take in future tax returns.

The Portfolio files U.S. federal, state, and local tax returns as required. The Portfolio's tax returns are subject to examination by relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Shares of the Portfolio currently are sold to segregated asset accounts ("Separate Accounts") of insurance companies that fund variable annuity contracts and variable life insurance policies ("Variable Contracts"). Please refer to the prospectus for the Separate Account and Variable Contract for information regarding Federal income tax treatment of distributions to the Separate Account.

As of December 31, 2021, the components of distributable taxable earnings are as follows (amounts in thousands†):

	Undistributed Ordinary Income(1)	Undistributed Long-Term Capital Gains	Net Tax Basis Unrealized Appreciation/ (Depreciation)(2)	Other Book-to-Tax Accounting Differences(3)	Accumulated Capital Losses(4)	Qualified Late-Year Loss Deferral - Capital(5)	Qualified Late-Year Loss Deferral - Ordinary(6)	Total Components of Distributable Earnings
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 0	$ 241	$ (5,473)	$ 0	$ 0	$ 0	$ 0	$ (5,232)

† A zero balance may reflect actual amounts rounding to less than one thousand.

(1) Includes undistributed short-term capital gains, if any.

(2) Adjusted for open wash sale loss deferrals and the accelerated recognition of unrealized gain or loss on certain futures and forward contracts for federal income tax purposes. Also adjusted for differences between book and tax realized and unrealized gain (loss) on swap contracts, straddle loss deferrals, treasury inflation-protected securities (TIPS), sale/buyback transactions, and interest accrued on defaulted securities.

(3) Represents differences in income tax regulations and financial accounting principles generally accepted in the United States of America.

(4) Capital losses available to offset future net capital gains expire in varying amounts as shown below.

(5) Capital losses realized during the period November 1, 2021 through December 31, 2021 which the Portfolio elected to defer to the following taxable year pursuant to income tax regulations.

(6) Specified losses realized during the period November 1, 2021 through December 31, 2021 which the Portfolio elected to defer to the following taxable year pursuant to income tax regulations.

Under the Regulated Investment Company Modernization Act of 2010, a Portfolio is permitted to carry forward any new capital losses for an unlimited period. Additionally, such capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term under previous law.

As of December 31, 2021, the Portfolio had the following post-effective capital losses with no expiration (amounts in thousands†):

	Short-Term	Long-Term
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 0	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2021, the aggregate cost and the net unrealized appreciation/(depreciation) of investments for federal income tax purposes are as follows (amounts in thousands†):

	Federal Tax Cost	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)(7)
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 650,035	$ 38,274	$ (44,087)	$ (5,813)

† A zero balance may reflect actual amounts rounding to less than one thousand.
(7) Primary differences, if any, between book and tax net unrealized appreciation/(depreciation) on investments are attributable to open wash sale loss deferrals, unrealized gain or loss on certain futures and forward contracts, swap contracts, straddle loss deferrals, treasury inflation-protected securities (TIPS), sale/buyback transactions, and interest accrued on defaulted securities.

For the fiscal year ended December 31, 2021 and December 31, 2020, respectively, the Portfolio made the following tax basis distributions (amounts in thousands†):

	December 31, 2021			December 31, 2020		
	Ordinary Income Distributions(8)	Long-Term Capital Gain Distributions	Return of Capital(9)	Ordinary Income Distributions(8)	Long-Term Capital Gain Distributions	Return of Capital(9)
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	$ 14,532	$ 1,564	$ 0	$ 32,278	$ 0	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.
(8) Includes short-term capital gains distributed, if any.
(9) A portion of the distributions made represents a tax return of capital. Return of capital distributions have been reclassified from undistributed net investment income to paid-in capital to more appropriately conform financial accounting to tax accounting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of PIMCO Variable Insurance Trust and Shareholders of PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (one of the portfolios constituting PIMCO Variable Insurance Trust, hereafter referred to as the "Portfolio") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent, brokers and agent banks; when replies were not received from brokers or agent banks, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Kansas City, Missouri

February 17, 2022

We have served as the auditor of one or more investment companies in PIMCO Variable Insurance Trust since 1998.

Glossary: (abbreviations that may be used in the preceding statements)

(Unaudited)

Counterparty Abbreviations:

AZD	Australia and New Zealand Banking Group
BOA	Bank of America N.A.
BPS	BNP Paribas S.A.
BRC	Barclays Bank PLC
CBK	Citibank N.A.
DUB	Deutsche Bank AG
FICC	Fixed Income Clearing Corporation
GLM	Goldman Sachs Bank USA
GSC	Goldman Sachs & Co. LLC
GST	Goldman Sachs International
HUS	HSBC Bank USA N.A.
JPM	JP Morgan Chase Bank N.A.
MYC	Morgan Stanley Capital Services LLC
MYI	Morgan Stanley & Co. International PLC
NGF	Nomura Global Financial Products, Inc.
RBC	Royal Bank of Canada
RYL	NatWest Markets Plc
SCX	Standard Chartered Bank, London
SSB	State Street Bank and Trust Co.
TOR	The Toronto-Dominion Bank
UAG	UBS AG Stamford

Currency Abbreviations:

ARS	Argentine Peso
AUD	Australian Dollar
BRL	Brazilian Real
CAD	Canadian Dollar
CHF	Swiss Franc
CNH	Chinese Renminbi (Offshore)
CNY	Chinese Renminbi (Mainland)
CZK	Czech Koruna
DKK	Danish Krone
EUR	Euro
GBP	British Pound
HKD	Hong Kong Dollar
ILS	Israeli Shekel
JPY	Japanese Yen
KRW	South Korean Won
MXN	Mexican Peso
MYR	Malaysian Ringgit
NOK	Norwegian Krone
NZD	New Zealand Dollar
PEN	Peruvian New Sol
RUB	Russian Ruble
SEK	Swedish Krona
SGD	Singapore Dollar
USD (or $)	United States Dollar
ZAR	South African Rand

Exchange Abbreviations:

OTC	Over the Counter

Index/Spread Abbreviations:

BADLARPP	Argentina Badlar Floating Rate Notes
BBSW1M	1 Month Bank Bill Swap Rate
BBSW3M	3 Month Bank Bill Swap Rate
CDOR03	3 month CDN Swap Rate
CDX.HY	Credit Derivatives Index - High Yield
CDX.IG	Credit Derivatives Index - Investment Grade
EUR003M	3 Month EUR Swap Rate
LIBOR03M	3 Month USD-LIBOR
MUTKCALM	Tokyo Overnight Average Rate
SIBCSORA	Singapore Overnight Rate Average
SOFR	Secured Overnight Financing Rate
SONIO	Sterling Overnight Interbank Average Rate
SRFXON3	Swiss Overnight Rate Average (6PM)
UKRPI	United Kingdom Retail Prices Index
US0003M	ICE 3-Month USD LIBOR

Other Abbreviations:

ABS	Asset-Backed Security
ALT	Alternate Loan Trust
BBR	Bank Bill Rate
BBSW	Bank Bill Swap Reference Rate
BTP	Buoni del Tesoro Poliennali "Long-term Treasury Bond"
CDI	Brazil Interbank Deposit Rate
CLO	Collateralized Loan Obligation
DAC	Designated Activity Company
EURIBOR	Euro Interbank Offered Rate
JIBAR	Johannesburg Interbank Agreed Rate
KLIBOR	Kuala Lumpur Interbank Offered Rate
LIBOR	London Interbank Offered Rate
Lunar	Monthly payment based on 28-day periods. One year consists of 13 periods.
OAT	Obligations Assimilables du Trésor
OIS	Overnight Index Swap
PIK	Payment-in-Kind
PRIBOR	Prague Interbank Offered Rate
STIBOR	Stockholm Interbank Offered Rate
TBA	To-Be-Announced
TIIE	Tasa de Interés Interbancaria de Equilibrio "Equilibrium Interbank Interest Rate"

As required by the Internal Revenue Code (the "Code") and Treasury Regulations, if applicable, shareholders must be notified regarding the status of qualified dividend income and the dividend received deduction.

Dividend Received Deduction. Corporate shareholders are generally entitled to take the dividend received deduction on the portion of a Portfolio's dividend distribution that qualifies under tax law. The percentage of the following Portfolio's fiscal 2021 ordinary income dividend that qualifies for the corporate dividend received deduction is set forth in the table below.

Qualified Dividend Income. Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), the percentage of ordinary dividends paid during the calendar year designated as "qualified dividend income", as defined in the Act, subject to reduced tax rates in 2021 is set forth for the Portfolio in the table below.

Qualified Interest Income and Qualified Short-Term Capital Gain (for non-U.S. resident shareholders only). Under the American Jobs Creation Act of 2004, the amounts of ordinary dividends paid during the fiscal year ended December 31, 2021 considered to be derived from "qualified interest income," as defined in Section 871(k)(1)(E) of the Code, and therefore designated as interest-related dividends, as defined in Section 871(k)(1)(C) of the Code are set forth in the table below. Further, the amounts of ordinary dividends paid during the fiscal year ended December 31, 2021 considered to be derived from "qualified short-term capital gain," as defined in Section 871(k)(2)(D) of the Code, and therefore designated as qualified short-term gain dividends, as defined by Section 871(k)(2)(C) of the Code are also set forth in the table below.

Section 163(j) Interest Dividends. The Portfolio intends to pass through the maximum amount allowable as Section 163(j) Interest Dividends as defined in Proposed Treasury Regulation § 1.163(j)-1(b). The 163(j) percentage of ordinary income distributions as follows:

	Dividend Received Deduction %	Qualified Dividend Income %	Qualified Interest Income (000s†)	Qualified Short-Term Capital Gain (000s†)	163(j) Interest Dividends
PIMCO International Bond Portfolio (U.S. Dollar-Hedged)	0.00%	0.00%	$ 6,846	$ 5,800	0.00%

† A zero balance may reflect actual amounts rounding to less than one thousand.

Shareholders are advised to consult their own tax advisor with respect to the tax consequences of their investment in the Trust. In January 2022, you will be advised on IRS Form 1099-DIV as to the federal tax status of the dividends and distributions received by you in calendar year 2021.

The charts below identify the Trustees and executive officers of the Trust. Unless otherwise indicated, the address of all persons below is 650 Newport Center Drive, Newport Beach, CA 92660.

The Portfolio's Statement of Additional Information includes more information about the Trustees and Officers. To request a free copy, call PIMCO at (888) 87-PIMCO or visit the Portfolio's website at www.pimco.com/pvit.

Name, Year of Birth and Position Held with Trust*	Term of Office and Length of Time Served†	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Public Company and Investment Company Directorships Held by Trustee During the Past 5 Years
Interested Trustees[1]				
Peter G. Strelow (1970) *Chairman of the Board and Trustee*	05/2017 to present Chairman of the Board - 02/2019 to present	Managing Director and Co-Chief Operating Officer, PIMCO. Senior Vice President of the Trust, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Chief Administrative Officer, PIMCO.	149	Chairman and Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT.
Kimberley G. Stafford (1978) *Trustee*	02/2021 to present	Managing Director, Global Head of Product Strategy, PIMCO; and Member of Executive Committee, PIMCO. Formerly, Head of Asia-Pacific, Global Head of Consultant Relations and Head of US Institutional and Alternatives Sales, PIMCO.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT.
Independent Trustees				
George E. Borst (1948) *Trustee*	04/2015 to present	Executive Advisor, McKinsey & Company (since 10/14); Formerly, Executive Advisor, Toyota Financial Services (10/13-12/14); and CEO, Toyota Financial Services (1/01-9/13).	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, MarineMax Inc.
Jennifer Holden Dunbar (1963) *Trustee*	04/2015 to present	Managing Director, Dunbar Partners, LLC (business consulting and investments). Formerly, Partner, Leonard Green & Partners, L.P.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, PS Business Parks; Director, Big 5 Sporting Goods Corporation.
Kym M. Hubbard (1957) *Trustee*	02/2017 to present	Formerly, Global Head of Investments, Chief Investment Officer and Treasurer, Ernst & Young.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, State Auto Financial Corporation.
Gary F. Kennedy (1955) *Trustee*	04/2015 to present	Formerly, Senior Vice President, General Counsel and Chief Compliance Officer, American Airlines and AMR Corporation (now American Airlines Group) (1/03-1/14).	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.
Peter B. McCarthy (1950) *Trustee*	04/2015 to present	Formerly, Assistant Secretary and Chief Financial Officer, United States Department of Treasury; Deputy Managing Director, Institute of International Finance.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.
Ronald C. Parker (1951) *Lead Independent Trustee*	07/2009 to present Lead Independent Trustee - 02/2017 to present	Director of Roseburg Forest Products Company. Formerly, Chairman of the Board, The Ford Family Foundation; and President, Chief Executive Officer, Hampton Affiliates (forestry products).	149	Lead Independent Trustee, PIMCO Funds and PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2022.

[1] Ms. Stafford and Mr. Strelow are "interested persons" of the Trust (as that term is defined in the 1940 Act) because of their affiliations with PIMCO.

† Trustees serve until their successors are duly elected and qualified.

Executive Officers

Name, Year of Birth and Position Held with Trust*	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years†
Eric D. Johnson (1970) *President*	06/2019 to present	Executive Vice President and Head of Funds Business Group Americas, PIMCO. President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Ryan G. Leshaw (1980) *Chief Legal Officer and Secretary*	08/2021 to present	Executive Vice President and Senior Counsel, PIMCO. Chief Legal Officer and Secretary, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Chief Legal Officer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Associate, Willkie Farr & Gallagher LLP.
Keisha Audain-Pressley (1975)** *Chief Compliance Officer*	01/2020 to present	Executive Vice President and Deputy Chief Compliance Officer, PIMCO. Chief Compliance Officer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Joshua D. Ratner (1976)** *Senior Vice President*	05/2019 to present	Executive Vice President and Head of Americas Operations, PIMCO. Senior Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Peter G. Strelow (1970) *Senior Vice President*	06/2019 to present	Managing Director and Co-Chief Operating Officer, PIMCO. Senior Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Chief Administrative Officer, PIMCO.
Wu-Kwan Kit (1981) *Assistant Secretary*	08/2017 to present	Senior Vice President and Senior Counsel, PIMCO. Assistant Secretary, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Vice President, Senior Counsel and Secretary, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Assistant General Counsel, VanEck Associates Corp.
Jeffrey A. Byer (1976) *Vice President*	02/2020 to present	Executive Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Elizabeth A. Duggan (1964) *Vice President*	02/2021 to present	Executive Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Mark A. Jelic (1981) *Vice President*	08/2021 to present	Senior Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Brian J. Pittluck (1977) *Vice President*	01/2020 to present	Senior Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Bijal Y. Parikh (1978) *Treasurer*	01/2021 to present	Executive Vice President, PIMCO. Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Jason J. Nagler (1982)*** *Deputy Treasurer*	11/2021 to present	Senior Vice President, PIMCO. Deputy Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Assistant Treasurer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Erik C. Brown (1967)*** *Assistant Treasurer*	02/2001 to present	Executive Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Brandon T. Evans (1982) *Assistant Treasurer*	05/2019 to present	Senior Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Colleen D. Miller (1980)** *Assistant Treasurer*	02/2017 to present	Senior Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Deputy Treasurer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2022.

† The term "PIMCO-Sponsored Closed-End Funds" as used herein includes: PIMCO California Municipal Income Fund, PIMCO California Municipal Income Fund II, PIMCO California Municipal Income Fund III, PIMCO Municipal Income Fund, PIMCO Municipal Income Fund II, PIMCO Municipal Income Fund III, PIMCO New York Municipal Income Fund, PIMCO New York Municipal Income Fund II, PIMCO New York Municipal Income Fund III, PCM Fund Inc., PIMCO Access Income Fund, PIMCO Corporate & Income Opportunity Fund, PIMCO Corporate & Income Strategy Fund, PIMCO Dynamic Credit and Mortgage Income Fund, PIMCO Dynamic Income Fund, PIMCO Dynamic Income Opportunities Fund, PIMCO Energy and Tactical Credit Opportunities Fund, PIMCO Global StocksPLUS® & Income Fund, PIMCO High Income Fund, PIMCO Income Opportunity Fund, PIMCO Income Strategy Fund, PIMCO Income Strategy Fund II and PIMCO Strategic Income Fund, Inc.; the term "PIMCO-Sponsored Interval Funds" as used herein includes: PIMCO Flexible Credit Income Fund, PIMCO Flexible Municipal Income Fund and PIMCO Flexible Emerging Markets Income Fund.

** The address of these officers is Pacific Investment Management Company LLC, 1633 Broadway, New York, New York 10019.

*** The address of these officers is Pacific Investment Management Company LLC, 401 Congress Ave., Austin, Texas 78701.

Privacy Policy[1]

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").

At a meeting held on August 24-25, 2021, the Board of Trustees (the "Board") of PIMCO Variable Insurance Trust (the "Trust"), including the Trustees who are not "interested persons" of the Trust under the Investment Company Act of 1940, as amended (the "Independent Trustees"), considered and unanimously approved the renewal of the Amended and Restated Investment Advisory Contract (the "Investment Advisory Contract") between the Trust, on behalf of the Trust's series (each a "Portfolio" and collectively, the "Portfolios"), and Pacific Investment Management Company LLC ("PIMCO"), for an additional one-year term through August 31, 2022. The Board also considered and unanimously approved the renewal of the Amended and Restated Supervision and Administration Agreement (the "Supervision and Administration Agreement") between the Trust, on behalf of the Portfolios, and PIMCO for an additional one-year term through August 31, 2022. In addition, the Board considered and unanimously approved the renewal of the Amended and Restated Asset Allocation Sub-Advisory Agreement (the "Asset Allocation Agreement" and, together with the Investment Advisory Contract and the Supervision and Administration Agreement, the "Agreements") between PIMCO, on behalf of PIMCO All Asset Portfolio, a series of the Trust, and Research Affiliates, LLC ("Research Affiliates") for an additional one-year term through August 31, 2022.

In addition, the Board considered and unanimously approved the renewal of the Investment Management Agreements between PIMCO and each of the wholly-owned subsidiaries (each, a "Subsidiary" and, collectively, the "Subsidiaries") of certain of the Portfolios (collectively, the "Subsidiary Agreements"), each for the same additional one-year term through August 31, 2022.

The information, material factors and conclusions that formed the basis for the Board's approvals are summarized below.

1. INFORMATION RECEIVED

(a) Materials Reviewed: During the course of the past year, the Trustees received a wide variety of materials relating to the services provided by PIMCO and Research Affiliates to the Trust. At each of its quarterly meetings, the Board reviewed the Portfolios' investment performance and a significant amount of information relating to Portfolio operations, including shareholder services, valuation and custody, the Portfolios' compliance program and other information relating to the nature, extent and quality of services provided by PIMCO and Research Affiliates to the Trust and each of the Portfolios, as applicable. In considering whether to approve the renewal of the Agreements and the Subsidiary Agreements, the Board reviewed additional information, including, but not limited to: comparative industry data with regard to investment performance; advisory and supervisory and administrative fees and expenses; financial information for PIMCO and, where relevant, financial information for Research Affiliates; information regarding the profitability to PIMCO of its relationship with the Portfolios; information about the personnel providing investment management services, other advisory services and supervisory and administrative services to the Portfolios; and information about the fees charged and services provided to other clients with similar investment mandates as the Portfolios, where applicable. In addition, the Board reviewed materials provided by counsel to the Trust and the Independent Trustees ("Counsel"), which included, among other things, a memorandum outlining legal duties of the Board in considering the renewal of the Agreements and Subsidiary Agreements.

With respect to the Subsidiary Agreements, the Trustees considered that each Portfolio that has a Subsidiary may utilize its Subsidiary to execute its investment strategy and that PIMCO provides investment advisory and administrative services to the Subsidiaries pursuant to the Subsidiary Agreements in the same manner as it does for such Portfolios that have Subsidiaries under the Investment Advisory Contract and Supervision and Administration Agreement. The Trustees also considered that, with respect to each Subsidiary, PIMCO does not retain a separate advisory or other fee from the Subsidiary, and that PIMCO's profitability with respect to each Portfolio that has a Subsidiary is not positively impacted as a result of the Subsidiary Agreements. The Trustees determined, therefore, that it was appropriate to consider the approval of the Subsidiary Agreements collectively with their consideration of the Agreements.

(b) Review Process: In connection with considering the renewal of the Agreements, the Board reviewed written materials prepared by PIMCO and, where applicable, Research Affiliates in response to requests from Counsel encompassing a wide variety of topics. The Board requested and received assistance and advice regarding, among other things, applicable legal standards from Counsel, and reviewed comparative fee and performance data prepared at the Board's request by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company performance information and fee and expense data. The Board received presentations on matters related to the Agreements and met both as a full Board and in a separate session of the Independent Trustees, without management present, at the August 24-25, 2021 meeting. The Independent Trustees also met via video conference with Counsel on July 15, 2021 and August 3, 2021, and conducted a video conference meeting on August 6, 2021 with management and Counsel to discuss the materials presented and other matters deemed relevant to their consideration of the renewal of the Agreements. In connection with its review of the Agreements, the Board received comparative information on the performance, the risk-adjusted performance and the fees and expenses of other peer group funds and share classes. The Independent Trustees also requested and received supplemental information, including information regarding Broadridge peer classifications, Portfolio performance and profitability.

The approval determinations were made on the basis of each Trustee's business judgment after consideration and evaluation of all the information presented. Individual Trustees may have given different weights to certain factors and assigned various degrees of materiality to information received in connection with the approval process. In deciding to approve the renewal of the Agreements, the Board did not identify any single factor or particular information that, in isolation, was controlling. The discussion below is intended to summarize the broad factors and information that figured prominently in the Board's consideration of the renewal of the Agreements, but is not intended to summarize all of the factors considered by the Board.

2. NATURE, EXTENT AND QUALITY OF SERVICES

(a) PIMCO, Research Affiliates, their Personnel and Resources: The Board considered the depth and quality of PIMCO's investment management process, including, but not limited to: the experience, capability and integrity of its senior management and other personnel; the overall financial strength and stability of its organization; and the ability of its organizational structure to address changes in the Portfolios' asset levels. The Board also considered the various services in addition to portfolio management that PIMCO provides under the Investment Advisory Contract. The Board noted that PIMCO makes available to its investment professionals a variety of resources and systems relating to investment management, compliance, trading, performance and portfolio accounting. The Board also noted PIMCO's commitment to enhancing and investing in its global infrastructure, technology capabilities, risk management processes and the specialized talent needed to stay at the forefront of the competitive investment management industry and to strengthen its ability to deliver services under the Agreements. The Board considered PIMCO's policies, procedures and systems reasonably designed to assure compliance with applicable laws and regulations, including new regulations impacting the Portfolios, and its commitment to further developing and strengthening these programs; its oversight of matters that may involve conflicts of interest between the Portfolios' investments and those of other accounts managed by PIMCO; and its efforts to keep the Trustees informed about matters relevant to the Portfolios and their shareholders. The Board also considered PIMCO's investment in new disciplines and talented personnel, which has enhanced PIMCO's services to the Portfolios and has allowed PIMCO to introduce innovative new portfolios over time. In addition, the Board considered the nature, extent and quality of services provided by PIMCO to the Subsidiaries of certain applicable Portfolios.

In addition, the Trustees considered new services and service enhancements that PIMCO has implemented, including, but not limited to investing in its cybersecurity program and business continuity functions, including completion of the build-out of a new data center; funding projects and initiatives in support of the Portfolios; investing in trading and technology infrastructure; oversight by the Americas Fund Oversight Committee, which provides senior-level oversight and supervision focused on new and ongoing fund-related business opportunities; expanding engagement with a third party service provider to provide certain additional fund administration services subject to PIMCO's oversight; investing in the Fund Treasurer's Office; development of a global tax management application that enables investment professionals to access foreign market and security tax information on a real-time basis; enhancing PIMCO's oversight over certain of the Portfolios' service providers, including with respect to a service provider's review of certain financial reporting procedures and the use of proprietary software and managed service model to timely meet N-PORT and N-CEN regulatory requirements; upgrading a proprietary application to improve user interface efficiency and experience; implementing a contingent NAV process; advocating in the public policy arena; developing a proprietary tool to monitor and facilitate potential interfund lending; launching an internal process to seek to automate a number of operational processes; and developing technology solutions to leverage artificial intelligence and machine learning. Similarly, the Board considered the asset allocation services provided by Research Affiliates to the PIMCO All Asset Portfolio. The Board further considered PIMCO's oversight of Research Affiliates in connection with Research Affiliates providing asset allocation services to the All Asset Portfolio. The Board also considered the depth and quality of Research Affiliates' investment management and research capabilities, the experience and capabilities of its portfolio management personnel and the overall financial strength of the organization.

Ultimately, the Board concluded that the nature, extent and quality of services provided or procured by PIMCO under the Agreements and the Subsidiary Agreements and provided by Research Affiliates under the Asset Allocation Agreement are likely to continue to benefit the Portfolios and their shareholders, as applicable.

(b) Other Services: The Board also considered the nature, extent and quality of supervisory and administrative services provided by PIMCO to the Portfolios under the Supervision and Administration Agreement.

The Board considered the terms of the Supervision and Administration Agreement, under which the Trust pays for the supervisory and administrative services provided pursuant to that agreement under what is essentially an all-in fee structure (the "unified fee"). In return, PIMCO provides or procures certain supervisory and administrative services and bears the costs of various third party services required by the Portfolios, including, but not limited to, audit, custodial, portfolio accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board also noted that the scope and complexity, as well as the costs, of the supervisory and administrative services provided by PIMCO under the Supervision and Administration Agreement continue to increase. The Board considered PIMCO's provision of supervisory and administrative services and its supervision of the Trust's third party service providers to assure that these service providers continue to provide a high level of service relative to alternatives available in the market.

Ultimately, the Board concluded that the nature, extent and quality of the services provided or procured by PIMCO has benefited, and will likely continue to benefit, the Portfolios and their shareholders.

3. INVESTMENT PERFORMANCE

The Board reviewed information from PIMCO concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2021 and other performance data, as available, over short- and long-term periods ended June 30, 2021 (the "PIMCO Report") and from Broadridge concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2021 (the "Broadridge Report").

The Board considered information regarding both the short- and long-term relative and absolute investment performance of each Portfolio relative to its peer group, where appropriate, and relevant benchmark index as provided to the Board in advance of each of its quarterly meetings throughout the year, including the PIMCO Report and Broadridge Report. The Trustees reviewed information indicating that classes of each Portfolio would have substantially similar performance to that of the Administrative Class of the relevant Portfolio on a relative basis because all of the classes are invested in the same portfolio of investments and that differences in performance among classes could principally be attributed to differences in the supervisory and administrative fees and distribution and servicing expenses of each class. The Board noted that, due to differences (such as specific investment strategies or fee structures) between certain of the Portfolios and their so-called peers in the Broadridge categories, performance comparisons may not be particularly relevant to the consideration of Portfolio performance, but found the comparative information supported its overall evaluation.

The Board noted that a majority of the Portfolios have outperformed their respective benchmark indexes over the one-, three- and five-year periods ended March 31, 2021, and that a majority of the Portfolios have outperformed their benchmarks since inception for the period ended March 31, 2021. With respect to Portfolios that underperformed to a certain degree over such periods, the Board discussed with PIMCO the reasons for the underperformance of such Portfolios. The Board also considered actions that have been taken by PIMCO throughout the year to attempt to address underperformance.

The Board ultimately concluded, within the context of all of its considerations in connection with the Agreements and the Subsidiary Agreements, that PIMCO's performance record and process in managing the Portfolios indicates that its continued management is likely to benefit the Portfolios and their shareholders, and merits the approval of the renewal of the Agreements and the Subsidiary Agreements.

4. ADVISORY FEES, SUPERVISORY AND ADMINISTRATIVE FEES AND TOTAL EXPENSES

The Board considered that PIMCO seeks to price new funds to scale at the outset . The Board noted that PIMCO generally seeks to price new funds competitively against the median total expense ratio of the respective Broadridge peer group, if available, while acknowledging that a fee premium may be appropriate for innovative investment offerings. PIMCO reported to the Board that, in proposing fees for any Portfolio or class of shares, it considers a number of factors, including, but not limited to, the type and complexity of the services provided, the cost of providing services, the risk assumed by PIMCO in the development of products and the provision of services and the competitive marketplace for financial products.

The Board reviewed the advisory fees, supervisory and administrative fees and total expenses of the Portfolios (each as a percentage of average net assets) and compared such amounts with the average and median fee and expense levels of other similar funds. The Board also reviewed information relating to the sub-advisory fees paid to Research Affiliates with respect to applicable Portfolios, taking into account that PIMCO compensates Research Affiliates from the advisory fees paid by such Portfolios to PIMCO. With respect to advisory fees, the Board reviewed data from the Broadridge Report that compared the average and median advisory fees of other funds in a "Peer Group" of comparable funds, where appropriate, as well as the universe of other similar funds. The Board reviewed materials, where appropriate, indicating that a number of Portfolios have total expense ratios that fall below the average and median expense ratios in their Peer Group and Broadridge universe. In addition, the Board considered the expense limitation agreement in place for all of the Portfolios and fee waivers in place for certain of the Portfolios and also noted the fee waivers in place with respect to the advisory fee and supervisory and administrative fee that might result from investments by applicable Portfolios in their respective Subsidiaries. The Board also considered that PIMCO reviews the Portfolios' fee levels and carefully considers changes where appropriate.

The Board also reviewed data comparing the Portfolios' advisory fees to the fee rates PIMCO charged to registered funds (open-end and closed-end), private funds, and non-U.S. registered funds, separate accounts, sub-advised clients and collective investment trusts with similar investment strategies. In cases where the fees for other clients were lower than those charged to the Portfolios, the Trustees noted that the differences in fees were attributable to various factors, including, but not limited to, differences in the advisory and other services provided by PIMCO to the Portfolios, differences in the number or extent of the services provided by PIMCO to the Portfolios, the manner in which similar portfolios may be managed, different requirements with respect to liquidity management and the implementation of other regulatory requirements, and the fact that separate accounts may have other contractual arrangements or arrangements across PIMCO strategies that justify different levels of fees. The Board considered that, with respect to collective investment trusts, PIMCO performs fewer or less extensive services because collective investment trusts are generally exempt from SEC regulation; investors in a collective investment trust may receive shareholder services from a trustee bank, rather than PIMCO; collective investment trusts have less regulatory disclosure; and the management structure of collective investment trusts differs from that of funds. The Trustees also considered that PIMCO faces increased entrepreneurial, legal and regulatory risk in sponsoring and managing mutual funds and ETFs as compared to separate accounts, external sub-advised funds or other investment products. In addition, the Trustees considered that PIMCO may charge certain private funds with similar investment mandates lower fees than the Portfolios because such private funds are not required to accept daily redemptions or price their assets on a daily basis, generally do not accept small investors with small account balances and operate under a less complex regulatory regime.

Regarding advisory fees charged by PIMCO in its capacity as sub-adviser to third party/unaffiliated funds, the Trustees took into account that such fees may be lower than the fees charged by PIMCO to serve as adviser to the Portfolios. The Trustees also took into account that there are various reasons for any such differences in fees, including, but not limited to, the fact that PIMCO may be subject to varying levels of entrepreneurial, legal and regulatory risk and different servicing requirements when PIMCO does not serve as the sponsor of a fund and is not principally responsible for all aspects of a fund’s investment program and operations as compared to when PIMCO serves as investment adviser and sponsor.

The Board considered the Portfolios’ supervisory and administrative fees, comparing them to similar funds managed by other investment advisers in the Broadridge Report. The Board also considered that, as the Portfolios’ business has become increasingly complex and the number of Portfolios has grown over time, PIMCO has provided an increasingly broad array of fund supervisory and administrative functions. In addition, the Board considered the Trust’s unified fee structure, under which the Trust pays for the supervisory and administrative services it requires for one set fee. In return for this unified fee, PIMCO provides or procures supervisory and administrative services and bears the costs of various third party services required by the Portfolios, including audit, custodial, portfolio accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board further considered that many other funds pay for comparable services separately, and thus it is difficult to directly compare the Trust’s unified supervisory and administrative fees with the fees paid by other funds for administrative services alone. The Board also considered that the unified supervisory and administrative fee leads to Portfolio fees that are fixed over the contract period, rather than variable. The Board noted that, although the unified fee structure does not have breakpoints, it inherently reflects certain economies of scale by fixing the absolute level of Portfolio fees at competitive levels over the contract period even if the Portfolios’ operating costs rise when assets remain flat or decrease. Other factors the Board considered in assessing the unified fee include PIMCO’s approach of pricing Portfolios at scale at inception and reinvesting in other important areas of the business that support the Portfolios. The Board considered historical advisory and supervisory and administrative fee reductions implemented for different Portfolios and classes, noting that the unified fee can be increased or decreased in subsequent contractual periods with Board approval and is subject to the periodic reviews discussed above. The Board noted that, with few exceptions, PIMCO has generally maintained Portfolio fees at the same level as implemented when the unified fee was adopted, and has reduced fees for a number of Portfolios in prior years. The Board concluded that the Portfolios’ supervisory and administrative fees were reasonable in relation to the value of the services provided, including the services provided to different classes of shareholders, and that the expenses assumed contractually by PIMCO under the Supervision and Administration Agreement represent, in effect, a cap on overall Portfolio fees during the contractual period, which is beneficial to the Portfolios and their shareholders.

The Board considered the Portfolios’ total expenses and discussed with PIMCO certain Portfolios and/or classes of Portfolios that had above median total expenses. Upon comparing the Portfolios’ total expenses to other funds in the “Peer Groups” provided by the Broadridge Report, where appropriate, the Board found total expenses of each Portfolio to be reasonable.

The Trustees also considered the advisory fees charged to the Portfolios that operate as funds of funds (the “Funds of Funds”) and the advisory services provided in exchange for such fees. The Trustees determined that such services were in addition to the advisory services provided to the underlying funds in which the Funds of Funds may invest and, therefore, such services were not duplicative of the advisory services provided to the underlying funds. The Board also considered the various fee waiver agreements in place for the Funds of Funds. The Board noted that PIMCO is continuing waivers for these Funds of Funds, as well as for certain other Portfolios of the Trust.

Based on the information presented by PIMCO and Research Affiliates, members of the Board determined, in the exercise of their business judgment, that the level of the advisory fees and supervisory and administrative fees charged by PIMCO under the Agreements and the Subsidiary Agreements, that the fees charged by Research Affiliates under the Asset Allocation Agreement, and that the total expenses of each Portfolio, are reasonable.

5. ADVISER COSTS, LEVEL OF PROFITS AND ECONOMIES OF SCALE

The Board reviewed information regarding PIMCO's costs of providing services to, as well as the resulting level of profits from, the Portfolios. To the extent applicable, the Board also reviewed information regarding the portion of a Portfolio's advisory fee retained by PIMCO, following the payment of sub-advisory fees to Research Affiliates, with respect to the Portfolios. Additionally, the Board discussed PIMCO's pre- and post-distribution profit margin ranges with respect to the Portfolios, as compared to the prior year. The Board also noted that it had received information regarding the structure and manner in which PIMCO's investment professionals were compensated, and PIMCO's view of the relationship of such compensation to the attraction and retention of quality personnel. The Board considered PIMCO's investment in global infrastructure, technology capabilities, risk management processes and qualified personnel to reinforce and offer new services and to accommodate changing regulatory requirements.

The Board considered the existence of any economies of scale and noted that, to the extent that PIMCO achieves economies of scale in managing the Portfolios, PIMCO shares the benefits of economies of scale, if any, with the Portfolios and their shareholders in a number of ways, including investing in portfolio and trade operations management, firm technology, middle and back office support, legal and compliance, and fund administration logistics; senior management supervision, governance and oversight of those services; and through fee reductions or waivers, the pricing of Portfolios to scale from inception and the enhancement of services provided to the Portfolios in return for fees paid. The Board reviewed the history of the Portfolios' fee structure. The Board considered that the Portfolios' unified fee rates had been set competitively and/or priced to scale from inception, had been held steady during the contractual period at that scaled competitive rate for most Portfolios as assets grew, or as assets declined in the case of some Portfolios, and continued to be competitive compared with peers. The Board also considered that the unified fee is a transparent means of informing a Portfolio's shareholders of the fees associated with the Portfolio, and that the Portfolio bears certain expenses that are not covered by the advisory fee or the unified fee. The Board further considered the challenges that arise when managing large funds, which can result in certain "diseconomies" of scale and noted that PIMCO has continued to reinvest in many areas of the business to support the Portfolios.

The Trustees considered that the unified fee has provided inherent economies of scale because a Portfolio maintains competitive fixed fees over the annual contract period even if the particular Portfolio's assets decline and/or operating costs rise. The Trustees further considered that, in contrast, breakpoints may be a proxy for charging higher fees on lower asset levels and that when a fund's assets decline, breakpoints may reverse, which causes expense ratios to increase. The Trustees also considered that, unlike the Portfolios' unified fee structure, funds with "pass through" administrative fee structures may experience increased expense ratios when fixed dollar fees are charged against declining fund assets. In addition, the Trustees considered that the unified fee protects shareholders from a rise in operating costs that may result from, among other things, PIMCO's investments in various business enhancements and infrastructure, including those referenced above. The Trustees noted that PIMCO's investments in these areas are extensive.

The Board concluded that the Portfolios' cost structures were reasonable and that PIMCO is appropriately sharing economies of scale, if any, through the Portfolios' unified fee structure, generally pricing Portfolios to scale at inception and reinvesting in its business to provide enhanced and expanded services to the Portfolios and their shareholders.

6. ANCILLARY BENEFITS

The Board considered other benefits realized by PIMCO and its affiliates as a result of PIMCO's relationship with the Trust. Such benefits may include possible ancillary benefits to PIMCO's institutional investment management business due to the reputation and market penetration of the Trust or third party service providers' relationship-level fee concessions, which decrease fees paid by PIMCO. The Board also considered that affiliates of PIMCO provide distribution and/or shareholder services to the Portfolios and their shareholders, for which they may be compensated through distribution and servicing fees paid pursuant to the Portfolios' Rule 12b-1 plans or otherwise. The Board noted that, while PIMCO has the authority to receive the benefit of research provided by broker-dealers executing portfolio transactions on behalf of the Portfolios, it has adopted a policy not to enter into contractual soft dollar arrangements.

7. CONCLUSIONS

Based on their review, including their comprehensive consideration and evaluation of each of the broad factors and information summarized above, the Independent Trustees and the Board as a whole concluded that the nature, extent and quality of the services rendered to the Portfolios by PIMCO and Research Affiliates supported the renewal of the Agreements and the Subsidiary Agreements. The Independent Trustees and the Board as a whole concluded that the Agreements and the Subsidiary Agreements continued to be fair and reasonable to the Portfolios and their shareholders, that the Portfolios' shareholders received reasonable value in return for the fees paid to PIMCO by the Portfolios under the Investment Advisory Contract, Supervision and Administration Agreement and the Subsidiary Agreements and the fees paid to Research Affiliates by PIMCO under the Asset Allocation Agreement, and that the renewal of the Agreements and the Subsidiary Agreements was in the best interests of the Portfolios and their shareholders.

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This report is submitted for the general information of the shareholders of the PIMCO Variable Insurance Trust.

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PIMCO

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PIMCO

PIMCO VARIABLE INSURANCE TRUST

Annual Report

December 31, 2021

PIMCO Low Duration Portfolio

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This material is authorized for use only when preceded or accompanied by the current PIMCO Variable Insurance Trust (the “Trust”) prospectus for the Portfolio. (The variable product prospectus may be obtained by contacting your Investment Consultant.)

Dear Shareholder,

We hope that you and your family are remaining safe and healthy during these challenging times. We continue to work tirelessly to navigate markets and manage the assets that you have entrusted to us. Following this letter is the PIMCO Variable Insurance Trust Annual Report, which covers the 12-month reporting period ended December 31, 2021. On the subsequent pages, you will find specific details regarding investment results and a discussion of the factors that most affected performance during the reporting period.

For the 12-month reporting period ended December 31, 2021

The global economy continued to be affected by the COVID-19 pandemic (“COVID-19”) and its variants. Looking back, first quarter 2021 U.S. annualized gross domestic product (“GDP”) was 6.3%. The economy gained momentum during the second quarter, as GDP growth in the U.S. was 6.7%. Growth then moderated to 2.3% during the third quarter of the year. Finally, the Commerce Department’s initial estimate for fourth quarter annualized GDP growth — released after the reporting period ended — was 6.9%.

In the U.S., while the Federal Reserve Board (the “Fed”) maintained the federal funds rate at an all-time low of a range between 0.00% and 0.25%, it took a step toward tightening its monetary policy. At its meeting in early November 2021, the Fed began reducing the monthly pace of its net asset purchases of Treasury securities and agency mortgage-backed securities. At its meeting in mid-December, the Fed further reduced the monthly pace of its purchases. At the current pace, the U.S. central bank will conclude its asset purchases in mid-March 2022, and could raise interest rates during its March 2022 meeting.

Economies outside the U.S. also continued to be impacted by COVID-19. In its October 2021 *World Economic Outlook*, the International Monetary Fund (“IMF”) said it expects U.S. GDP growth to be 6.0% in 2021, compared to a 3.4% contraction in 2020. Elsewhere, the IMF expects 2021 GDP growth in the eurozone, U.K. and Japan will be 5.0%, 6.8% and 2.4%, respectively. For comparison purposes, the GDP of these economies contracted by -6.3%, -9.8% and -4.6%, respectively, in 2020.

The Bank of England (the “BoE”) also tightened its monetary policy, while several other developed country central banks maintained their accommodative stances. In December 2021, the BoE surprised the market and raised rates for the first time since COVID-19 began. The BoE cited underlying inflation pressures and expects inflation to remain high in the coming months. In contrast, the European Central Bank (the “ECB”) diverged from the Fed and the BoE, as President Christine Lagarde said, “It is very unlikely that we will raise interest rates in the year 2022.” The eurozone economy is still below its pre-pandemic level and the Omicron variant is threatening growth in the region. Elsewhere, the Bank of Japan (the “BoJ”) pared back its emergency pandemic funding in late 2021, but maintained its loose monetary policy. The BoJ appears likely to remain accommodative in the near future given the headwinds facing its economy.

Both short- and long-term U.S. Treasury yields moved higher during the reporting period. The yield on the benchmark 10-year U.S. Treasury note was 1.52% at the end of the reporting period, versus 0.93% on December 31, 2020. The Bloomberg Global Treasury Index (USD Hedged), which tracks fixed-rate, local currency government debt of investment-grade countries, including both developed and emerging markets, returned -1.86%. Meanwhile, the Bloomberg Global Aggregate Credit Index (USD Hedged), a widely used index of global investment-grade credit bonds, returned -0.95%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, produced mixed returns. The ICE BofAML Developed Markets High Yield Constrained Index (USD Hedged), a widely used index of below-investment-grade bonds, returned 5.06%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD Hedged), returned -1.51%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned -8.75%.

Amid periods of volatility, global equities largely posted solid results. All told, U.S. equities, as represented by the S&P 500 Index, returned 28.71%, fueled by strong investor demand and growth in the economy. Global equities, as represented by the MSCI World Index, gained 21.82%, whereas emerging market equities, as measured by the MSCI Emerging Markets Index, returned -2.54%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned 6.62% and European equities, as represented by the MSCI Europe Index (in EUR), gained 25.13%.

Commodity prices were volatile and generated mixed results. When the reporting period began, Brent crude oil was approximately $52 a barrel. Brent crude oil ended the reporting period at roughly $78 a barrel. We believe that a driver of the sharp increase in oil price was stronger demand as global growth improved. Elsewhere, copper prices moved higher, whereas gold prices declined.

Finally, there were also periods of volatility in the foreign exchange markets, in our view due to economic growth expectations, changing central bank monetary policies, rising inflation, COVID-19 variants, and several geopolitical events. The U.S. dollar strengthened against several major currencies. For example, the U.S. dollar returned 6.93%, 1.01% and 10.28% versus the euro, the British pound and the Japanese yen, respectively.

Thank you for the assets you have placed with us. We deeply value your trust, and we will continue to work diligently to meet your broad investment needs.

Sincerely,

Peter G. Strelow
Chairman of the Board
PIMCO Variable Insurance Trust

Past performance is no guarantee of future results. Unless otherwise noted, index returns reflect the reinvestment of income distributions and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an unmanaged index.

Important Information About the PIMCO Low Duration Portfolio

PIMCO Variable Insurance Trust (the "Trust") is an open-end management investment company that includes the PIMCO Low Duration Portfolio (the "Portfolio"). The Portfolio is only available as a funding vehicle under variable life insurance policies or variable annuity contracts issued by insurance companies ("Variable Contracts"). Individuals may not purchase shares of the Portfolio directly. Shares of the Portfolio also may be sold to qualified pension and retirement plans outside of the separate account context.

We believe that bond funds have an important role to play in a well-diversified investment portfolio. It is important to note, however, that in an environment where interest rates may trend upward, rising rates would negatively impact the performance of most bond funds, and fixed income securities and other instruments held by the Portfolio are likely to decrease in value. A wide variety of factors can cause interest rates or yields of U.S. Treasury securities (or yields of other types of bonds) to rise (e.g., central bank monetary policies, inflation rates, general economic conditions, etc.). In addition, changes in interest rates can be sudden and unpredictable, and there is no guarantee that management will anticipate such movement accurately. The Portfolio may lose money as a result of movements in interest rates.

As of the date of this report, interest rates in the United States and many parts of the world, including certain European countries, are at or near historically low levels. Thus, the Portfolio currently faces a heightened level of risk associated with rising interest rates and/or bond yields. This could be driven by a variety of factors, including but not limited to central bank monetary policies, changing inflation or real growth rates, general economic conditions, increasing bond issuances or reduced market demand for low yielding investments. Further, while bond markets have steadily grown over the past three decades, dealer inventories of corporate bonds are near historic lows in relation to market size. As a result, there has been a significant reduction in the ability of dealers to "make markets."

Bond funds and individual bonds with a longer duration (a measure used to determine the sensitivity of a security's price to changes in interest rates) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations. All of the factors mentioned above, individually or collectively, could lead to increased volatility and/or lower liquidity in the fixed income markets or negatively impact the Portfolio's performance or cause the Portfolio to incur losses. As a result, the Portfolio may experience increased shareholder redemptions, which, among other things, could further reduce the net assets of the Portfolio.

The Portfolio may be subject to various risks as described in the Portfolio's prospectus and in the Principal and Other Risks in the Notes to Financial Statements.

Classifications of the Portfolio's portfolio holdings in this report are made according to financial reporting standards. The classification of a particular portfolio holding as shown in the Allocation Breakdown and Schedule of Investments sections of this report may differ from the classification used for the Portfolio's compliance calculations, including those used in the Portfolio's prospectus, investment objectives, regulatory, and other investment limitations and policies, which may be based on different asset class, sector or geographical classifications. The Portfolio is separately monitored for compliance with respect to prospectus and regulatory requirements.

The geographical classification of foreign (non-U.S.) securities in this report, if any, are classified by the country of incorporation of a holding. In certain instances, a security's country of incorporation may be different from its country of economic exposure.

Beginning in January 2020, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy, the economies of certain nations and individual issuers, all of which may negatively impact the Portfolio's performance. In addition, COVID-19 and governmental responses to COVID-19 may negatively impact the capabilities of the Portfolio's service providers and disrupt the Portfolio's operations.

The United States' enforcement of restrictions on U.S. investments in certain issuers and tariffs on goods from other countries, each with a focus on China, has contributed to international trade tensions and may impact portfolio securities.

The United Kingdom's withdrawal from the European Union may impact Portfolio returns. The withdrawal may cause substantial volatility in foreign exchange markets, lead to weakness in the exchange rate of the British pound, result in a sustained period of market uncertainty, and destabilize some or all of the other European Union member countries and/or the Eurozone.

The Portfolio may invest in certain instruments that rely in some fashion upon the London Interbank Offered Rate ("LIBOR"). LIBOR is an average interest rate, determined by the ICE Benchmark Administration, that banks charge one another for the use of short-term money. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced plans to ultimately phase out the use of LIBOR. There remains uncertainty regarding future utilization of LIBOR and the nature of any replacement rate (e.g., the Secured Overnight Financing Rate, which is intended to replace U.S. dollar

LIBOR and measures the cost of overnight borrowings through repurchase agreement transactions collateralized with U.S. Treasury securities). Any potential effects of the transition away from LIBOR on the Portfolio or on certain instruments in which the Portfolio invests can be difficult to ascertain, and they may vary depending on a variety of factors. The transition may also result in a reduction in the value of certain instruments held by the Portfolio or a reduction in the effectiveness of related Portfolio transactions such as hedges. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could result in losses to the Portfolio.

On the Portfolio Summary page in this Shareholder Report, the Average Annual Total Return table and Cumulative Returns chart measure performance assuming that any dividend and capital gain distributions were reinvested. The Cumulative Returns chart reflects only Administrative Class performance. Performance may vary by share class based on each class's expense ratios. The Portfolio measures its performance against at least one broad-based securities market index ("benchmark index"). The benchmark index does not take into account fees, expenses, or taxes. The Portfolio's past performance, before and after taxes, is not necessarily an indication of how the Portfolio will perform in the future. There is no assurance that the Portfolio, even if the Portfolio has experienced high or unusual performance for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) the Portfolio's total return in excess of that of the Portfolio's benchmark between reporting periods or 2) the Portfolio's total return in excess of the Portfolio's historical returns between reporting periods. Unusual performance is defined as a significant change in the Portfolio's performance as compared to one or more previous reporting periods. Historical performance for the Portfolio or a share class thereof may have been positively impacted by fee waivers or expense limitations in place during some or all of the periods shown, if applicable. Future performance (including total return or yield) and distributions may be negatively impacted by the expiration or reduction of any such fee waivers or expense limitations.

The following table discloses the inception dates of the Portfolio and its share classes along with the Portfolio's diversification status as of period end:

Portfolio Name	Portfolio Inception	Institutional Class	Administrative Class	Advisor Class	Diversification Status
PIMCO Low Duration Portfolio	02/16/99	04/10/00	02/16/99	03/31/06	Diversified

An investment in the Portfolio is not a bank deposit and is not guaranteed or insured by the Federal Deposit Insurance Corporation or any other government agency. It is possible to lose money on investments in the Portfolio.

The Trustees are responsible generally for overseeing the management of the Trust. The Trustees authorize the Trust to enter into service agreements with the Adviser, the Distributor, the Administrator and other service providers in order to provide, and in some cases authorize service providers to procure through other parties, necessary or desirable services on behalf of the Trust and the Portfolio. Shareholders are not parties to or third-party beneficiaries of such service agreements. Neither this Portfolio's prospectus nor summary prospectus, the Trust's Statement of Additional Information ("SAI"), any contracts filed as exhibits to the Trust's registration statement, nor any other communications, disclosure documents or regulatory filings (including this report) from or on behalf of the Trust or the Portfolio creates a contract between or among any shareholder of the Portfolio, on the one hand, and the Trust, the Portfolio, a service provider to the Trust or the Portfolio, and/or the Trustees or officers of the Trust, on the other hand. The Trustees (or the Trust and its officers, service providers or other delegates acting under authority of the Trustees) may amend the most recent prospectus or use a new prospectus, summary prospectus or SAI with respect to the Portfolio or the Trust, and/or amend, file and/or issue any other communications, disclosure documents or regulatory filings, and may amend or enter into any contracts to which the Trust or the Portfolio is a party, and interpret the investment objective(s), policies, restrictions and contractual provisions applicable to the Portfolio, without shareholder input or approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement is specifically disclosed in the Trust's then-current prospectus or SAI.

PIMCO has adopted written proxy voting policies and procedures ("Proxy Policy") as required by Rule 206(4)-6 under the Investment Advisers Act of 1940, as amended. The Proxy Policy has been adopted by the Trust as the policies and procedures that PIMCO will use when voting proxies on behalf of the Portfolio. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of the Portfolio, and information about how the Portfolio voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling the Trust at (888) 87-PIMCO, on the Portfolio's website at www.pimco.com/pvit, and on the Securities and Exchange Commission's ("SEC") website at www.sec.gov.

The Portfolio files portfolio holdings information with the SEC on Form N-PORT within 60 days of the end of each fiscal quarter. The

Portfolio's complete schedule of securities holdings as of the end of each fiscal quarter will be made available to the public on the SEC's website at www.sec.gov and on PIMCO's website at www.pimco.com/pvit, and will be made available, upon request by calling PIMCO at (888) 87-PIMCO.

The SEC adopted a rule that allows shareholder reports to be delivered to investors by providing access to such reports online free of charge and by mailing a notice that the report is electronically available. Pursuant to the rule, investors may elect to receive all future reports in paper free of charge by contacting their insurance company. Any election to receive reports in paper will apply to all portfolio companies available under the investor's contract at the insurance company.

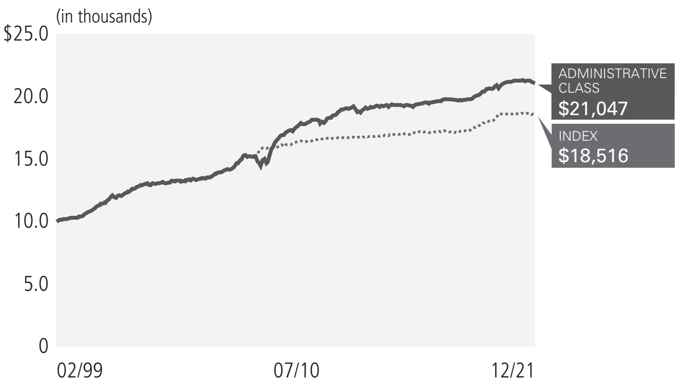
In August 2020, the SEC proposed changes to the mutual fund and ETF shareholder report and registration statement disclosure requirements and the registered fund advertising rules, which, if adopted, will change the disclosures provided to shareholders.

In October 2020, the SEC adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that rescinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions. Subject to certain exceptions, and after an eighteen-month transition period, the rule requires portfolios to trade derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions) subject to a value-at-risk leverage limit, certain derivatives risk management program and reporting requirements. These requirements may limit the ability of the Portfolio to use derivatives and reverse repurchase agreements and similar financing transactions as part of its investment strategies and may increase the cost of the Portfolio's investments and cost of doing business, which could adversely affect investors.

In October 2020, the SEC adopted a rule regarding the ability of a fund to invest in other funds. The rule allows a fund to acquire shares of another fund in excess of certain limitations currently imposed by the Investment Company Act of 1940 (the "Act") without obtaining individual exemptive relief from the SEC, subject to certain conditions. The rule also includes the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The effective date for the rule was January 19, 2021, and the compliance date for the rule was January 19, 2022.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Act, and the SEC noted that this definition will apply in all contexts under the Act. The SEC adopted an eighteen-month transition period beginning from the effective date for both the new rule and the associated new recordkeeping requirements. The impact of the new rule on the Portfolio is uncertain at this time.

Cumulative Returns Through December 31, 2021



$10,000 invested at the end of the month when the Portfolio's Administrative Class commenced operations.

Allocation Breakdown as of December 31, 2021†§

Short-Term Instruments‡	38.9%
Corporate Bonds & Notes	26.6%
U.S. Government Agencies	12.7%
Non-Agency Mortgage-Backed Securities	8.7%
Asset-Backed Securities	7.9%
Sovereign Issues	5.2%

† % of Investments, at value.

§ Allocation Breakdown and % of investments exclude securities sold short and financial derivative instruments, if any.

‡ Includes Central Funds Used for Cash Management Purposes.

Average Annual Total Return for the period ended December 31, 2021

	1 Year	5 Years	10 Years	Inception≈
PIMCO Low Duration Portfolio Institutional Class	(0.78)%	1.69%	1.74%	3.44%
PIMCO Low Duration Portfolio Administrative Class	(0.93)%	1.54%	1.59%	3.29%
PIMCO Low Duration Portfolio Advisor Class	(1.03)%	1.44%	1.49%	2.80%
ICE BofAML 1-3 Year U.S. Treasury Index±	(0.55)%	1.61%	1.09%	2.72%◆

All Portfolio returns are net of fees and expenses and include applicable fee waivers and/or expense limitations. Absent any applicable fee waivers and/or expense limitations, performance would have been lower and there can be no assurance that any such waivers or limitations will continue in the future.

≈ For class inception dates please refer to the Important Information.

◆ Average annual total return since 02/16/1999.

± The ICE BofAML 1-3 Year U.S. Treasury Index is an unmanaged index comprised of U.S. Treasury securities, other than inflation-protection securities and STRIPS, with at least $1 billion in outstanding face value and a remaining term to final maturity of at least one year and less than three years.

It is not possible to invest directly in an unmanaged index.

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. The Portfolio's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in Variable Contracts, which will reduce returns. Differences in the Portfolio's performance versus the index and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the prices of individual positions (which may be sourced from different pricing vendors or other sources) used by the Portfolio and the index. For performance current to the most recent month-end, visit www.pimco.com/pvit or via (888) 87-PIMCO.

The Portfolio's total annual operating expense ratio in effect as of period end were 0.54% for Institutional Class shares, 0.69% for Administrative Class shares, and 0.79% for Advisor Class shares. Details regarding any changes to the Portfolio's operating expenses, subsequent to period end, can be found in the Portfolio's current prospectus, as supplemented.

Investment Objective and Strategy Overview

PIMCO Low Duration Portfolio seeks maximum total return, consistent with preservation of capital and prudent investment management, by investing under normal circumstances at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives, such as options, futures contracts or swap agreements. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. Portfolio strategies may change from time to time. Please refer to the Portfolio's current prospectus for more information regarding the Portfolio's strategy.

Portfolio Insights

The following affected performance (on a gross basis) during the reporting period:

» Select holdings of securitized credit contributed to relative performance, as holdings of collateralized loan obligations provided positive total return.

» Holdings of investment grade corporate credit contributed to relative performance, as the asset class provided positive excess return.

» Underweight exposure to U.K. duration on the 7-year and 10-year portions of the yield curve contributed to relative performance, as local interest rates rose.

» Overweight exposure to Brazilian duration on the 3-month and 1-year portions of the yield curve detracted from relative performance, as local interest rates rose.

» Holdings of government agency securities detracted from relative performance due to security selection within agency bonds.

» A long bias to the Australian dollar versus the U.S. dollar detracted from relative performance, as the Australian dollar depreciated.

Example

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including investment advisory fees, supervisory and administrative fees, distribution and/or service (12b-1) fees (if applicable), and other Portfolio expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds.

The Expense Example does not reflect any fees or other expenses imposed by the Variable Contracts. If it did, the expenses reflected in the Expense Example would be higher. The Example is based on an investment of $1,000 invested at the beginning of the period and held from July 1, 2021 to December 31, 2021 unless noted otherwise in the table and footnotes below.

Actual Expenses

The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.60), then multiply the result by the number in the appropriate row for your share class, in the column titled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

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

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different portfolios. In addition, if these transactional costs were included, your costs would have been higher.

Expense ratios may vary period to period because of various factors, such as an increase in expenses that are not covered by the investment advisory fees and supervisory and administrative fees, such as fees and expenses of the independent trustees and their counsel, extraordinary expenses and interest expense.

	Actual			Hypothetical (5% return before expenses)			
	Beginning Account Value (07/01/21)	Ending Account Value (12/31/21)	Expenses Paid During Period*	Beginning Account Value (07/01/21)	Ending Account Value (12/31/21)	Expenses Paid During Period*	Net Annualized Expense Ratio**
Institutional Class	$ 1,000.00	$ 993.20	$ 2.54	$ 1,000.00	$ 1,022.93	$ 2.58	0.50%
Administrative Class	1,000.00	992.40	3.30	1,000.00	1,022.17	3.35	0.65
Advisor Class	1,000.00	991.90	3.81	1,000.00	1,021.66	3.86	0.75

* Expenses Paid During Period are equal to the net annualized expense ratio for the class, multiplied by the average account value over the period, multiplied by 186/365 (to reflect the one-half year period). Overall fees and expenses of investing in the Portfolio will be higher because the example does not reflect variable contract fees and expenses.

** Net Annualized Expense Ratio is reflective of any applicable contractual fee waivers and/or expense reimbursements or voluntary fee waivers. Details regarding fee waivers, if any, can be found in Note 9, Fees and Expenses, in the Notes to Financial Statements.

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Financial Highlights PIMCO Low Duration Portfolio

		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	Tax Basis Return of Capital	Total
Institutional Class								
12/31/2021	$ 10.38	$ 0.07	$ (0.14)	$ (0.07)	$ (0.07)	$ 0.00	$ 0.00	$ (0.07)
12/31/2020	10.20	0.13	0.19	0.32	(0.14)	0.00	0.00	(0.14)
12/31/2019	10.08	0.29	0.13	0.42	(0.24)	0.00	(0.06)	(0.30)
12/31/2018	10.24	0.20	(0.15)	0.05	(0.21)	0.00	0.00	(0.21)
12/31/2017	10.24	0.15	0.00	0.15	(0.13)	0.00	(0.02)	(0.15)
Administrative Class								
12/31/2021	10.38	0.05	(0.14)	(0.09)	(0.05)	0.00	0.00	(0.05)
12/31/2020	10.20	0.11	0.19	0.30	(0.12)	0.00	0.00	(0.12)
12/31/2019	10.08	0.28	0.12	0.40	(0.22)	0.00	(0.06)	(0.28)
12/31/2018	10.24	0.20	(0.17)	0.03	(0.19)	0.00	0.00	(0.19)
12/31/2017	10.24	0.13	0.01	0.14	(0.12)	0.00	(0.02)	(0.14)
Advisor Class								
12/31/2021	10.38	0.04	(0.14)	(0.10)	(0.04)	0.00	0.00	(0.04)
12/31/2020	10.20	0.10	0.19	0.29	(0.11)	0.00	0.00	(0.11)
12/31/2019	10.08	0.27	0.12	0.39	(0.21)	0.00	(0.06)	(0.27)
12/31/2018	10.24	0.19	(0.17)	0.02	(0.18)	0.00	0.00	(0.18)
12/31/2017	10.24	0.12	0.01	0.13	(0.11)	0.00	(0.02)	(0.13)

^ A zero balance may reflect actual amounts rounding to less than $0.01 or 0.01%.
[a] Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio.
[b] Per share amounts based on average number of shares outstanding during the year.
[c] The tax characterization of distributions is determined in accordance with Federal income tax regulations. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.
[d] Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio. Additionally, excludes initial sales charges and contingent deferred sales charges.

Net Asset Value End of Year(a)	Total Return(d)	Net Assets End of Year (000s)	Ratios/Supplemental Data: Ratios to Average Net Assets: Expenses	Expenses Excluding Waivers	Expenses Excluding Interest Expense	Expenses Excluding Interest Expense and Waivers	Net Investment Income (Loss)	Portfolio Turnover Rate
$ 10.24	(0.68)%	$ 17,953	0.50%	0.50%	0.50%	0.50%	0.65%	446%
10.38	3.15	11,436	0.54	0.54	0.50	0.50	1.21	427
10.20	4.18	11,474	0.89	0.89	0.50	0.50	2.86	308
10.08	0.49	8,588	0.59	0.59	0.50	0.50	2.02	624
10.24	1.50	15,368	0.50	0.50	0.50	0.50	1.44	544
10.24	(0.83)	1,031,779	0.65	0.65	0.65	0.65	0.49	446
10.38	2.99	1,130,716	0.69	0.69	0.65	0.65	1.04	427
10.20	4.03	1,007,149	1.04	1.04	0.65	0.65	2.76	308
10.08	0.34	1,197,654	0.74	0.74	0.65	0.65	1.94	624
10.24	1.35	1,272,418	0.65	0.65	0.65	0.65	1.31	544
10.24	(0.93)	867,452	0.75	0.75	0.75	0.75	0.39	446
10.38	2.89	831,900	0.79	0.79	0.75	0.75	0.95	427
10.20	3.92	754,355	1.14	1.14	0.75	0.75	2.65	308
10.08	0.24	757,166	0.84	0.84	0.75	0.75	1.85	624
10.24	1.25	761,611	0.75	0.75	0.75	0.75	1.21	544

Statement of Assets and Liabilities PIMCO Low Duration Portfolio

(Amounts in thousands†, except per share amounts)

Assets:	
Investments, at value	
Investments in securities*	$ 1,711,591
Investments in Affiliates	103,508
Financial Derivative Instruments	
Exchange-traded or centrally cleared	778
Over the counter	4,545
Deposits with counterparty	7,360
Foreign currency, at value	4,552
Receivable for investments sold	161,054
Receivable for TBA investments sold	211,369
Receivable for Portfolio shares sold	419
Interest and/or dividends receivable	3,241
Dividends receivable from Affiliates	146
Total Assets	2,208,563
Liabilities:	
Borrowings & Other Financing Transactions	
Payable for short sales	$ 20,283
Financial Derivative Instruments	
Exchange-traded or centrally cleared	535
Over the counter	5,274
Payable for investments in Affiliates purchased	146
Payable for TBA investments purchased	259,715
Deposits from counterparty	3,607
Payable for Portfolio shares redeemed	610
Overdraft due to custodian	5
Accrued investment advisory fees	434
Accrued supervisory and administrative fees	434
Accrued distribution fees	196
Accrued servicing fees	140
Total Liabilities	291,379
Net Assets	$ 1,917,184
Net Assets Consist of:	
Paid in capital	$ 1,954,913
Distributable earnings (accumulated loss)	(37,729)
Net Assets	$ 1,917,184
Net Assets:	
Institutional Class	$ 17,953
Administrative Class	1,031,779
Advisor Class	867,452
Shares Issued and Outstanding:	
Institutional Class	1,754
Administrative Class	100,804
Advisor Class	84,749
Net Asset Value Per Share Outstanding[(a)]:	
Institutional Class	$ 10.24
Administrative Class	10.24
Advisor Class	10.24
Cost of investments in securities	$ 1,710,314
Cost of investments in Affiliates	$ 101,168
Cost of foreign currency held	$ 4,535
Proceeds received on short sales	$ 20,309
Cost or premiums of financial derivative instruments, net	$ 7,572
* Includes repurchase agreements of:	$ 5,084

† A zero balance may reflect actual amounts rounding to less than one thousand.

(a) Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Portfolio.

See Accompanying Notes

Statement of Operations PIMCO Low Duration Portfolio

Year Ended December 31, 2021
(Amounts in thousands†)

Investment Income:	
Interest	$ 18,923
Dividends from Investments in Affiliates	3,521
Total Income	22,444
Expenses:	
Investment advisory fees	4,905
Supervisory and administrative fees	4,905
Servicing fees - Administrative Class	1,624
Distribution and/or servicing fees - Advisor Class	2,158
Trustee fees	56
Interest expense	17
Miscellaneous expense	3
Total Expenses	13,668
Net Investment Income (Loss)	8,776
Net Realized Gain (Loss):	
Investments in securities	(1,044)
Investments in Affiliates	518
Exchange-traded or centrally cleared financial derivative instruments	(5,595)
Over the counter financial derivative instruments	3,436
Foreign currency	1,074
Net Realized Gain (Loss)	(1,611)
Net Change in Unrealized Appreciation (Depreciation):	
Investments in securities	(29,248)
Investments in Affiliates	(1,967)
Exchange-traded or centrally cleared financial derivative instruments	(3,269)
Over the counter financial derivative instruments	9,365
Foreign currency assets and liabilities	20
Net Change in Unrealized Appreciation (Depreciation)	(25,099)
Net Increase (Decrease) in Net Assets Resulting from Operations	$ (17,934)

† A zero balance may reflect actual amounts rounding to less than one thousand.

Statements of Changes in Net Assets PIMCO Low Duration Portfolio

(Amounts in thousands†)	Year Ended December 31, 2021	Year Ended December 31, 2020
Increase (Decrease) in Net Assets from:		
Operations:		
Net investment income (loss)	$ 8,776	$ 18,610
Net realized gain (loss)	(1,611)	23,816
Net change in unrealized appreciation (depreciation)	(25,099)	9,003
Net Increase (Decrease) in Net Assets Resulting from Operations	(17,934)	51,429
Distributions to Shareholders:		
From net investment income and/or net realized capital gains		
Institutional Class	(111)	(147)
Administrative Class	(5,649)	(12,339)
Advisor Class	(3,677)	(8,527)
Total Distributions[(a)]	(9,437)	(21,013)
Portfolio Share Transactions:		
Net increase (decrease) resulting from Portfolio share transactions*	(29,497)	170,658
Total Increase (Decrease) in Net Assets	(56,868)	201,074
Net Assets:		
Beginning of year	1,974,052	1,772,978
End of year	$ 1,917,184	$ 1,974,052

† A zero balance may reflect actual amounts rounding to less than one thousand.
* See Note 13, Shares of Beneficial Interest, in the Notes to Financial Statements.
(a) The tax characterization of distributions is determined in accordance with Federal income tax regulations. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(Amounts in thousands*, except number of shares, contracts, units and ounces, if any)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 89.3%		
CORPORATE BONDS & NOTES 25.2%		
BANKING & FINANCE 13.7%		
Banco Bilbao Vizcaya Argentaria S.A.		
0.875% due 09/18/2023	$ 4,700	$ 4,683
Banco Santander S.A.		
1.241% (US0003M + 1.120%) due 04/12/2023 ~	2,400	2,425
Bank of America Corp.		
0.810% due 10/24/2024 •	6,900	6,857
1.084% (US0003M + 0.960%) due 07/23/2024 ~	1,200	1,211
1.292% (US0003M + 1.160%) due 01/20/2023 ~	200	200
1.486% due 05/19/2024 •	4,300	4,333
3.550% due 03/05/2024 •	4,100	4,223
Bank of Nova Scotia		
0.650% due 07/31/2024	5,000	4,940
Barclays PLC		
1.586% (US0003M + 1.430%) due 02/15/2023 ~	3,800	3,805
2.852% due 05/07/2026 •	5,100	5,264
Brixmor Operating Partnership LP		
1.182% (US0003M + 1.050%) due 02/01/2022 ~	5,000	5,003
CC Holdings GS LLC		
3.849% due 04/15/2023	5,300	5,486
Citigroup, Inc.		
0.776% due 10/30/2024 •	2,000	1,989
0.825% (US0003M + 0.690%) due 10/27/2022 ~	5,000	5,021
Cooperatieve Rabobank UA		
1.004% due 09/24/2026 •	5,700	5,549
Credit Suisse Group AG		
3.800% due 06/09/2023	4,800	4,975
Danske Bank A/S		
5.000% due 01/12/2022	4,800	4,804
Deutsche Bank AG		
0.550% due 11/08/2023 •	4,800	4,796
1.269% (SOFRRATE + 1.219%) due 11/16/2027 ~	4,600	4,595
2.222% due 09/18/2024 •	4,800	4,864
3.300% due 11/16/2022	6,600	6,738
Federal Realty Investment Trust		
3.950% due 01/15/2024	4,200	4,401
Ford Credit Canada Co.		
3.485% (CDOR03 + 3.030%) due 01/10/2022 ~(d)	CAD 4,700	3,716
Ford Motor Credit Co. LLC		
2.979% due 08/03/2022	$ 1,700	1,711
3.096% due 05/04/2023	5,400	5,508
3.810% due 01/09/2024	5,000	5,192
4.140% due 02/15/2023	5,000	5,125
GA Global Funding Trust		
0.800% due 09/13/2024	4,800	4,710
1.250% due 12/08/2023	4,800	4,799
General Motors Financial Co., Inc.		
3.550% due 07/08/2022	4,800	4,870
4.250% due 05/15/2023	5,400	5,622
Goldman Sachs Group, Inc.		
0.670% (SOFRRATE + 0.620%) due 12/06/2023 ~	4,800	4,802
0.914% (US0003M + 0.750%) due 02/23/2023 ~	2,400	2,411
1.217% due 12/06/2023	4,800	4,813
JPMorgan Chase & Co.		
0.563% due 02/16/2025 •	4,300	4,240
0.697% due 03/16/2024 •	5,000	4,989
0.815% (SOFRRATE + 0.765%) due 09/22/2027 ~	5,000	5,024
Logicor Financing SARL		
1.500% due 11/14/2022	EUR 5,200	5,982
Mitsubishi HC Capital, Inc.		
3.406% due 02/28/2022	$ 500	501
Mitsubishi UFJ Financial Group, Inc.		
0.913% (US0003M + 0.740%) due 03/02/2023 ~	$ 5,100	$ 5,126
Mizuho Financial Group, Inc.		
1.111% (US0003M + 0.990%) due 07/10/2024 ~	3,600	3,633
1.435% (BBSW3M + 1.400%) due 07/19/2023 ~	AUD 6,700	4,942
Morgan Stanley		
3.737% due 04/24/2024 •	$ 900	931
Nationwide Building Society		
3.622% due 04/26/2023 •	1,600	1,613
Natwest Group PLC		
2.500% due 03/22/2023	EUR 3,900	4,585
Nissan Motor Acceptance Co. LLC		
0.772% (US0003M + 0.650%) due 07/13/2022 ~	$ 5,900	5,904
1.050% due 03/08/2024	4,000	3,955
Norinchukin Bank		
1.284% due 09/22/2026	4,900	4,832
NTT Finance Corp.		
0.373% due 03/03/2023	5,000	4,981
Standard Chartered PLC		
0.980% (SOFRRATE + 0.930%) due 11/23/2025 ~	5,000	5,004
1.319% due 10/14/2023 •	4,800	4,805
1.822% due 11/23/2025 •	5,000	4,997
Sumitomo Mitsui Financial Group, Inc.		
1.474% due 07/08/2025	5,300	5,277
Sumitomo Mitsui Trust Bank Ltd.		
0.800% due 09/12/2023	4,800	4,785
UniCredit SpA		
4.027% (US0003M + 3.900%) due 01/14/2022 ~	5,100	5,104
7.830% due 12/04/2023	10,700	11,935
Wells Fargo & Co.		
1.654% due 06/02/2024 •	5,200	5,246
2.509% due 10/27/2023 (d)	CAD 6,200	4,987
		262,819
INDUSTRIALS 8.9%		
7-Eleven, Inc.		
0.625% due 02/10/2023	$ 5,000	4,982
Anthem, Inc.		
0.450% due 03/15/2023	6,000	5,977
BMW Finance NV		
2.250% due 08/12/2022	9,200	9,298
Boeing Co.		
1.167% due 02/04/2023	5,900	5,901
1.950% due 02/01/2024	5,000	5,059
CenterPoint Energy Resources Corp.		
0.673% (US0003M + 0.500%) due 03/02/2023 ~	5,000	4,990
Charter Communications Operating LLC		
4.464% due 07/23/2022	2,100	2,131
CommonSpirit Health		
1.547% due 10/01/2025	4,900	4,858
Daimler Finance North America LLC		
0.750% due 03/01/2024	6,000	5,947
Daimler Trucks Finance North America LLC		
0.550% (SOFRRATE + 0.500%) due 06/14/2023 ~	5,700	5,708
0.650% (SOFRRATE + 0.600%) due 12/14/2023 ~	5,000	5,005
0.800% (SOFRRATE + 0.750%) due 12/13/2024 ~	5,000	5,006
1.125% due 12/14/2023	5,000	5,004
Danone S.A.		
2.947% due 11/02/2026	4,000	4,212
Enbridge, Inc.		
0.660% (US0003M + 0.500%) due 02/18/2022 ~	4,400	4,402
Expedia Group, Inc.		
3.600% due 12/15/2023	$ 3,600	$ 3,742
Fidelity National Information Services, Inc.		
0.375% due 03/01/2023	5,000	4,977
General Mills, Inc.		
6.410% due 10/15/2022	4,900	5,121
Hasbro, Inc.		
3.550% due 11/19/2026	4,600	4,935
Huntington Ingalls Industries, Inc.		
0.670% due 08/16/2023	5,000	4,958
Hyundai Capital America		
0.800% due 04/03/2023	5,000	4,979
1.150% due 11/10/2022	6,000	6,016
Kinder Morgan Energy Partners LP		
4.150% due 03/01/2022	500	503
Local Initiatives Support Corp.		
3.005% due 03/01/2022	1,300	1,302
Nissan Motor Co. Ltd.		
3.043% due 09/15/2023	4,800	4,927
Penske Truck Leasing Co. LP		
1.700% due 06/15/2026	5,000	4,948
Phillips 66		
0.900% due 02/15/2024	4,900	4,866
Reckitt Benckiser Treasury Services PLC		
0.780% (US0003M + 0.560%) due 06/24/2022 ~	400	401
Renesas Electronics Corp.		
1.543% due 11/26/2024	5,000	4,970
SK Hynix, Inc.		
1.000% due 01/19/2024	5,000	4,946
Southern Co.		
0.420% (SOFRRATE + 0.370%) due 05/10/2023 ~	4,800	4,790
0.600% due 02/26/2024	5,100	5,037
Sutter Health		
1.321% due 08/15/2025	3,200	3,174
Thermo Fisher Scientific Finance BV		
0.010% due 11/18/2025	EUR 4,700	5,334
Toyota Industries Corp.		
3.110% due 03/12/2022	$ 4,800	4,815
Toyota Motor Corp.		
0.681% due 03/25/2024	6,500	6,464
Volkswagen Group of America Finance LLC		
2.700% due 09/26/2022	500	507
Volkswagen International Finance NV		
0.988% (EUR003M + 1.550%) due 11/16/2024 ~	EUR 700	825
		171,017
UTILITIES 2.6%		
AES Corp.		
1.375% due 01/15/2026	$ 5,100	4,956
Atmos Energy Corp.		
0.578% (US0003M + 0.380%) due 03/09/2023 ~	6,000	6,001
Midwest Connector Capital Co. LLC		
3.625% due 04/01/2022	2,700	2,705
NextEra Energy Capital Holdings, Inc.		
0.430% (US0003M + 0.270%) due 02/22/2023 ~	5,000	4,993
Pacific Gas & Electric Co.		
1.367% due 03/10/2023	5,000	4,970
1.691% (US0003M + 1.480%) due 06/16/2022 ~	3,500	3,502
3.400% due 08/15/2024	900	931
3.850% due 11/15/2023	400	413
4.250% due 08/01/2023	4,800	4,971
Southern California Edison Co.		
0.520% (SOFRRATE + 0.470%) due 12/02/2022 ~	5,000	5,005
SSE PLC		
1.250% due 04/16/2025	EUR 3,800	4,476

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Verizon Communications, Inc.		
2.355% due 03/15/2032	$ 5,865	$ 5,786
		48,709
Total Corporate Bonds & Notes (Cost $480,886)		**482,545**
U.S. GOVERNMENT AGENCIES 12.0%		
Fannie Mae		
0.147% due 07/25/2037 •	77	75
0.152% due 12/25/2036 •	21	21
0.442% due 09/25/2042 •	260	261
0.453% due 03/25/2044 •	20	20
0.902% due 04/25/2023 •	2	2
1.000% due 01/25/2043	45	43
1.009% due 06/17/2027 •	9	9
1.283% due 06/01/2043 •	65	66
1.284% due 07/01/2042 •	25	26
1.334% due 09/01/2041 •	66	68
1.775% due 09/01/2035 •	39	41
1.855% due 11/01/2035 •	14	14
1.952% due 07/01/2035 •	3	3
2.024% due 05/01/2038 •	976	1,026
4.027% due 12/01/2036 •	2	2
4.940% due 09/01/2034 •	1	1
5.000% due 04/25/2033	4	4
5.038% due 12/25/2042 ~	4	4
Freddie Mac		
0.363% due 08/25/2031 •	48	47
0.650% due 10/22/2025 - 10/27/2025	48,700	47,544
0.680% due 08/06/2025	18,800	18,466
0.800% due 10/28/2026	11,800	11,482
1.284% due 02/25/2045 •	88	89
2.021% due 09/01/2035 •	63	65
2.053% due 07/01/2035 •	16	17
4.000% due 12/01/2047 - 08/01/2048	3,928	4,245
6.500% due 07/25/2043	30	36
9.504% due 08/15/2044 •	1,240	1,580
Ginnie Mae		
0.535% due 06/20/2065 •	2,024	2,027
0.601% due 10/20/2065 •	6,728	6,763
0.621% due 07/20/2063 •	1,465	1,470
0.881% due 05/20/2066 •	741	751
0.931% due 04/20/2066 •	4,963	5,035
1.047% due 07/20/2067 •	5,332	5,385
1.354% due 08/20/2070 •	5,065	5,333
Uniform Mortgage-Backed Security		
3.500% due 07/01/2047 - 12/01/2047	40,265	43,373
4.000% due 08/01/2044 - 08/01/2048	4,541	4,880
4.500% due 03/01/2023 - 08/01/2046	775	829
5.000% due 05/01/2027 - 06/01/2028	56	61
5.500% due 12/01/2028 - 02/01/2049	127	139
6.000% due 02/01/2033 - 01/01/2039	723	838
6.500% due 04/01/2036	60	67
Uniform Mortgage-Backed Security, TBA		
2.000% due 02/01/2037	67,000	68,493
4.500% due 01/01/2037	200	208
Total U.S. Government Agencies (Cost $228,395)		**230,909**
NON-AGENCY MORTGAGE-BACKED SECURITIES 8.3%		
Adjustable Rate Mortgage Trust		
2.574% due 09/25/2035 ^~	182	173
American Home Mortgage Investment Trust		
2.246% due 02/25/2045 •	9	9
Banc of America Funding Trust		
3.417% due 01/20/2047 ^~	117	114

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Banc of America Mortgage Trust		
2.449% due 07/25/2034 ~	$ 153	$ 157
2.499% due 08/25/2034 ~	282	295
3.450% due 05/25/2033 ~	32	34
Bear Stearns Adjustable Rate Mortgage Trust		
2.153% due 01/25/2034 ~	5	5
2.645% due 01/25/2035 ~	963	986
3.177% due 07/25/2034 ~	64	62
4.558% due 01/25/2035 ~	29	31
Bear Stearns ALT-A Trust		
0.422% due 02/25/2034 •	142	139
Bear Stearns Structured Products, Inc. Trust		
2.511% due 12/26/2046 ^~	201	182
2.697% due 01/26/2036 ^~	298	251
Chevy Chase Funding LLC Mortgage-Backed Certificates		
0.382% due 01/25/2035 •	12	12
Citigroup Mortgage Loan Trust		
2.470% due 05/25/2035 •	12	12
2.768% due 08/25/2035 ^~	71	60
Countrywide Alternative Loan Trust		
6.000% due 10/25/2033	6	6
Countrywide Home Loan Mortgage Pass-Through Trust		
1.991% due 02/20/2036 ^•	177	179
2.510% due 02/20/2035 ~	43	43
2.535% due 11/20/2034 ~	310	320
2.673% due 11/25/2034 ~	136	137
CRSNT Commercial Mortgage Trust		
0.930% due 04/15/2036 •	6,000	5,989
DROP Mortgage Trust		
1.260% due 04/15/2026 •	5,000	5,009
Eurosail PLC		
0.000% due 12/10/2044 •	EUR 14	16
1.045% (BP0003M + 0.950%) due 06/13/2045 ~	GBP 5,709	7,727
First Horizon Alternative Mortgage Securities Trust		
2.277% due 09/25/2034 ~	$ 144	143
First Horizon Mortgage Pass-Through Trust		
2.773% due 08/25/2035 ~	59	47
FirstMac Mortgage Funding Trust		
1.065% due 03/08/2049 •	AUD 964	704
1.315% due 03/08/2049 •	6,100	4,464
GMAC Mortgage Corp. Loan Trust		
3.751% due 11/19/2035 ~	$ 25	26
GPMT Ltd.		
1.354% due 07/16/2035 •	4,359	4,362
Great Hall Mortgages PLC		
0.344% due 06/18/2039 •	726	717
GS Mortgage Securities Trust		
1.917% due 11/10/2045 ~(a)	1,972	15
GSR Mortgage Loan Trust		
2.851% due 09/25/2035 ~	110	112
2.986% due 09/25/2034 ~	40	41
HarborView Mortgage Loan Trust		
0.544% due 05/19/2035 •	37	36
2.658% due 07/19/2035 ^~	201	169
Hawksmoor Mortgages		
1.100% due 05/25/2053 •	GBP 12,296	16,693
Impac CMB Trust		
1.103% due 07/25/2033 •	$ 35	34
JP Morgan Chase Commercial Mortgage Securities Trust		
1.716% due 10/15/2045 ~(a)	11,332	50
JP Morgan Mortgage Trust		
5.750% due 01/25/2036 ^	11	7
LoanCore Issuer Ltd.		
0.964% due 07/15/2035 •	4,482	4,453
LUXE Commercial Mortgage Trust		
1.160% due 10/15/2038 •	4,800	4,806
Merrill Lynch Mortgage Investors Trust		
0.602% due 11/25/2035 •	48	48
0.762% due 09/25/2029 •	206	202

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Opteum Mortgage Acceptance Corp. Asset-Backed Pass-Through Certificates		
0.662% due 12/25/2035 •	$ 209	$ 207
PFP Ltd.		
0.960% due 04/14/2038 •	6,000	6,005
PHHMC Trust		
5.309% due 07/18/2035 ~	70	72
Prime Mortgage Trust		
0.502% due 02/25/2034 •	2	2
Ready Capital Mortgage Financing LLC		
1.102% due 04/25/2038 •	5,929	5,906
Residential Funding Mortgage Securities, Inc. Trust		
2.967% due 09/25/2035 ^~	375	272
Residential Mortgage Securities PLC		
1.298% due 06/20/2070 •	GBP 5,170	7,065
RESIMAC Bastille Trust		
0.753% due 02/03/2053 •	$ 18,640	18,646
Ripon Mortgages PLC		
0.914% due 08/20/2056 •	GBP 4,375	5,927
RMAC PLC		
0.795% due 06/12/2046 •	3,583	4,850
Stratton Mortgage Funding PLC		
0.950% (SONIO/N + 0.900%) due 07/20/2060 •	6,380	8,658
Structured Adjustable Rate Mortgage Loan Trust		
1.482% due 01/25/2035 ^•	$ 106	100
2.431% due 02/25/2034 ~	60	60
2.792% due 08/25/2035 ~	81	78
Structured Asset Mortgage Investments Trust		
0.662% due 02/25/2036 ^•	73	70
0.764% due 09/19/2032 •	1	1
Towd Point HE Trust		
0.918% due 02/25/2063 ~	2,872	2,861
Towd Point Mortgage Funding		
0.950% due 07/20/2045 •	GBP 3,712	5,035
Towd Point Mortgage Funding PLC		
0.950% (SONIO/N + 0.900%) due 05/20/2045 •	9,616	13,051
1.236% (BP0003M + 1.025%) due 10/20/2051 •	6,494	8,858
Trinity Square PLC		
0.900% (SONIO/N + 0.850%) due 07/15/2059 •	4,685	6,363
VMC Finance LLC		
1.204% due 06/16/2036 •	$ 4,904	4,903
WaMu Mortgage Pass-Through Certificates Trust		
0.642% due 12/25/2045 •	42	43
0.782% due 01/25/2045 •	251	252
1.482% due 06/25/2042 •	6	6
Wells Fargo Commercial Mortgage Trust		
1.722% due 10/15/2045 ~(a)	3,065	21
Total Non-Agency Mortgage-Backed Securities (Cost $156,293)		**158,389**
ASSET-BACKED SECURITIES 7.5%		
A10 Bridge Asset Financing LLC		
2.021% due 08/15/2040	2,143	2,147
ACE Securities Corp. Home Equity Loan Trust		
0.222% due 10/25/2036 •	51	27
1.002% due 12/25/2034 •	960	949
1.032% due 02/25/2036 ^•	3,752	3,713
Ameriquest Mortgage Securities, Inc. Asset-Backed Pass-Through Certificates		
0.852% due 09/25/2035 •	455	455
Anchorage Capital CLO Ltd.		
1.264% due 07/15/2032 •	5,000	5,020
Aqueduct European CLO DAC		
0.640% due 07/20/2030 •	EUR 2,783	3,172
Ares CLO Ltd.		
0.990% due 01/15/2029 •	$ 5,000	4,990
1.172% due 04/18/2031 •	5,000	4,996
Asset-Backed Securities Corp. Home Equity Loan Trust		
1.760% due 03/15/2032 •	45	45

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
BDS Ltd.			
1.450% due 12/18/2036 •		$ 5,000	$ 5,006
Bear Stearns Asset-Backed Securities Trust			
1.102% due 10/25/2037 •		230	230
Benefit Street Partners CLO Ltd.			
1.074% due 10/15/2030 •		4,800	4,794
Carlyle Euro CLO DAC			
0.890% due 08/15/2032 •	EUR	4,300	4,888
CIFC Funding Ltd.			
1.074% due 10/24/2030 •		$ 5,000	4,992
Countrywide Asset-Backed Certificates			
0.802% due 12/25/2033 •		539	529
Credit Suisse First Boston Mortgage Securities Corp.			
0.722% due 01/25/2032 •		3	3
Dryden Senior Loan Fund			
1.144% due 04/15/2029 •		5,764	5,767
Edsouth Indenture LLC			
1.253% due 09/25/2040 •		233	235
Enterprise Fleet Financing LLC			
3.380% due 05/20/2024		6	6
Ford Credit Floorplan Master Owner Trust			
2.840% due 03/15/2024		4,700	4,724
Gallatin CLO Ltd.			
1.180% due 01/21/2028 •		3,431	3,432
GE-WMC Mortgage Securities Trust			
0.182% due 08/25/2036 •		7	4
GSAMP Trust			
0.687% due 01/25/2036 •		399	400
LCM LP			
1.086% due 07/19/2027 •		5,000	5,000
LMREC LLC			
1.152% due 04/22/2037 •		5,000	4,998
Lument Finance Trust, Inc.			
1.280% due 06/15/2039 •		5,000	4,988
Madison Park Euro Funding DAC			
0.800% due 07/15/2032 •	EUR	4,200	4,782
Magnetite Ltd.			
1.023% due 11/15/2028 •		$ 4,800	4,795
Massachusetts Educational Financing Authority			
1.074% due 04/25/2038 •		143	143
NovaStar Mortgage Funding Trust			
0.422% due 05/25/2036 •		2,104	2,084
OZLM Ltd.			
1.194% due 10/17/2029 •		5,600	5,600
Palmer Square European Loan Funding DAC			
0.780% due 04/15/2031 •	EUR	4,200	4,791
Residential Asset Securities Corp. Trust			
0.977% due 01/25/2034 •		$ 1,045	1,045
SLC Student Loan Trust			
0.313% due 03/15/2027 •		893	892
SLM Student Loan Trust			
0.274% due 10/25/2029 •		$ 2,031	$ 2,024
Stonepeak ABS			
2.301% due 02/28/2033		4,724	4,681
Structured Asset Investment Loan Trust			
0.807% due 03/25/2034 •		281	276
1.077% due 10/25/2033 •		49	49
Structured Asset Securities Corp. Mortgage Loan Trust			
0.412% due 05/25/2036 •		4,323	4,311
Symphony CLO Ltd.			
1.004% due 04/15/2028 •		1,169	1,168
THL Credit Wind River Clo Ltd.			
1.204% due 04/15/2031 •		4,800	4,791
TICP CLO Ltd.			
0.972% due 04/20/2028 •		3,593	3,596
Toro European CLO DAC			
0.810% due 02/15/2034 •	EUR	5,400	6,148
TPG Real Estate Finance Ltd.			
1.314% due 10/15/2034 •		$ 2,898	2,900
Venture CLO Ltd.			
0.944% due 04/15/2027 •		201	202
1.122% due 07/20/2030 •		4,800	4,795
1.152% due 04/20/2029 •		4,321	4,323
Voya CLO Ltd.			
1.072% due 04/17/2030 •		5,000	4,999
Total Asset-Backed Securities (Cost $144,117)			**143,905**
SOVEREIGN ISSUES 4.8%			
Brazil Letras do Tesouro Nacional			
0.000% due 04/01/2022 (c)	BRL	83,900	14,705
0.000% due 07/01/2022 (c)		375,151	63,919
Israel Government International Bond			
0.750% due 07/31/2022	ILS	15,500	5,007
5.500% due 01/31/2022		6,200	2,002
Peru Government International Bond			
8.200% due 08/12/2026	PEN	26,000	7,447
Provincia de Buenos Aires			
37.922% due 04/12/2025	ARS	3,463	15
Total Sovereign Issues (Cost $99,501)			**93,095**
SHORT-TERM INSTRUMENTS 31.5%			
REPURCHASE AGREEMENTS (e) 0.3%			
			5,084
SHORT-TERM NOTES 0.4%			
Federal Home Loan Bank			
0.005% due 01/28/2022 (c)		$ 2,100	2,100
Monetary Authority of Singapore Bill			
0.796% due 01/21/2022 (c)	SGD	6,500	$ 4,822
			6,922
ISRAEL TREASURY BILLS 2.1%			
(0.002)% due 03/02/2022 - 10/07/2022 (b)(c)	ILS	126,000	40,523
U.S. TREASURY BILLS 25.7%			
0.054% due 01/11/2022 - 03/31/2022 (b)(c)(g)(i)		$ 492,747	492,727
U.S. TREASURY CASH MANAGEMENT BILLS 3.0%			
0.061% due 03/15/2022 - 03/29/2022 (b)(c)(i)		57,500	57,492
Total Short-Term Instruments (Cost $601,122)			**602,748**
Total Investments in Securities (Cost $1,710,314)			**1,711,591**

	SHARES	
INVESTMENTS IN AFFILIATES 5.4%		
SHORT-TERM INSTRUMENTS 5.4%		
CENTRAL FUNDS USED FOR CASH MANAGEMENT PURPOSES 5.4%		
PIMCO Short Asset Portfolio	10,354,490	103,276
PIMCO Short-Term Floating NAV Portfolio III	23,906	232
Total Short-Term Instruments (Cost $101,168)		**103,508**
Total Investments in Affiliates (Cost $101,168)		**103,508**
Total Investments 94.7% (Cost $1,811,482)		$ **1,815,099**
Financial Derivative Instruments (f)(h) (0.0)% (Cost or Premiums, net $7,572)		**(486)**
Other Assets and Liabilities, net 5.3%		**102,571**
Net Assets 100.0%		$ **1,917,184**

NOTES TO SCHEDULE OF INVESTMENTS:

* A zero balance may reflect actual amounts rounding to less than one thousand.

^ Security is in default.

~ Variable or Floating rate security. Rate shown is the rate in effect as of period end. Certain variable rate securities are not based on a published reference rate and spread, rather are determined by the issuer or agent and are based on current market conditions. Reference rate is as of reset date, which may vary by security. These securities may not indicate a reference rate and/or spread in their description.

• Rate shown is the rate in effect as of period end. The rate may be based on a fixed rate, a capped rate or a floor rate and may convert to a variable or floating rate in the future. These securities do not indicate a reference rate and spread in their description.

(a) Security is an Interest Only ("IO") or IO Strip.

(b) Coupon represents a weighted average yield to maturity.

(c) Zero coupon security.

(d) RESTRICTED SECURITIES:

Issuer Description	Coupon	Maturity Date	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
Ford Credit Canada Co.	3.485%	01/10/2022	10/20/2020 - 10/29/2020	$ 3,551	$ 3,716	0.19%
Wells Fargo & Co.	2.509	10/27/2023	10/20/2020	4,836	4,987	0.26
				$ 8,387	$ 8,703	0.45%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(e) REPURCHASE AGREEMENTS:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received
FICC	0.000%	12/31/2021	01/03/2022	$ 5,084	U.S. Treasury Notes 1.250% due 03/31/2028	$ (5,186)	$ 5,084	$ 5,084
Total Repurchase Agreements						**$ (5,186)**	**$ 5,084**	**$ 5,084**

SHORT SALES:

Description	Coupon	Maturity Date	Principal Amount	Proceeds	Payable for Short Sales
U.S. Government Agencies (1.1)%					
Uniform Mortgage-Backed Security, TBA	2.000%	02/01/2052	$ 15,000	$ (14,953)	$ (14,921)
Uniform Mortgage-Backed Security, TBA	3.500	02/01/2052	5,100	(5,356)	(5,362)
Total Short Sales (1.1)%				**$ (20,309)**	**$ (20,283)**

BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral pledged/(received) as of December 31, 2021:

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral Pledged/(Received)	Net Exposure[(1)]
Global/Master Repurchase Agreement						
FICC	$ 5,084	$ 0	$ 0	$ 5,084	$ (5,186)	$ (102)
Total Borrowings and Other Financing Transactions	**$ 5,084**	**$ 0**	**$ 0**			

(1) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

The average amount of borrowings outstanding during the period ended December 31, 2021 was $(1,152) at a weighted average interest rate of (0.010%). Average borrowings may include reverse repurchase agreements and sale-buyback transactions, if held during the period.

(f) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED

WRITTEN OPTIONS:

OPTIONS ON EXCHANGE-TRADED FUTURES CONTRACTS

Description	Strike Price	Expiration Date	# of Contracts	Notional Amount	Premiums (Received)	Market Value
Put - 2-Year Eurodollar Mid-Curve	$ 98.250	01/14/2022	48	$ 120	$ (17)	$ (4)
Put - 2-Year Eurodollar Mid-Curve	98.375	01/14/2022	240	600	(90)	(52)
Total Written Options					**$ (107)**	**$ (56)**

FUTURES CONTRACTS:

LONG FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
U.S. Treasury 2-Year Note March Futures	03/2022	5,466	$ 1,192,527	$ (2,182)	$ 256	$ 0
U.S. Treasury 5-Year Note March Futures	03/2022	2,195	265,544	(136)	154	0
				$ (2,318)	$ 410	$ 0

SHORT FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
U.S. Treasury 10-Year Note March Futures	03/2022	1,024	$ (133,600)	$ (230)	$ 0	$ (64)
U.S. Treasury 30-Year Bond March Futures	03/2022	139	(22,301)	(64)	0	(78)
United Kingdom Long Gilt March Futures	03/2022	205	(34,657)	104	0	(111)
				$ (190)	$ 0	$ (253)
Total Futures Contracts				**$ (2,508)**	**$ 410**	**$ (253)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION[1]

Index/Tranches	Fixed Receive Rate	Payment Frequency	Maturity Date	Notional Amount[2]	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value[3]	Variation Margin Asset	Variation Margin Liability
CDX.IG-35 5-Year Index	1.000%	Quarterly	12/20/2025	$ 300	$ 6	$ 2	$ 8	$ 0	$ 0
CDX.IG-36 5-Year Index	1.000	Quarterly	06/20/2026	1,400	34	1	35	1	0
CDX.IG-37 5-Year Index	1.000	Quarterly	12/20/2026	23,100	549	23	572	10	0
iTraxx Crossover 36 5-Year Index	5.000	Quarterly	12/20/2026	EUR 51,000	7,085	(89)	6,996	170	0
					$ 7,674	$ (63)	$ 7,611	$ 181	$ 0

INTEREST RATE SWAPS

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Receive[6]	1-Day GBP-SONIO Compounded-OIS	0.750%	Annual	03/16/2052	GBP 6,200	$ (109)	$ 291	$ 182	$ 0	$ (159)
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/15/2022	JPY 279,000	0	0	0	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/17/2022	994,000	0	(1)	(1)	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/18/2022	2,930,000	0	(3)	(3)	0	(1)
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/19/2022	222,000	0	0	0	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/20/2022	1,000,000	0	(1)	(1)	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	03/21/2022	340,000	0	0	0	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	04/07/2022	99,000	0	0	0	0	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Semi-Annual	06/18/2022	1,640,000	0	2	2	0	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.000	Annual	03/17/2024	9,570,000	141	(62)	79	0	(8)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.300	Semi-Annual	03/18/2026	2,930,000	(35)	(266)	(301)	8	0
Pay	1-Day JPY-MUTKCALM Compounded-OIS	0.380	Semi-Annual	06/18/2028	1,640,000	201	90	291	0	(13)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.750	Semi-Annual	03/20/2038	1,000,000	4	(655)	(651)	36	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	1.000	Semi-Annual	03/21/2048	340,000	(11)	(365)	(376)	24	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.538	Semi-Annual	03/15/2051	279,000	(6)	15	9	21	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.350	Semi-Annual	03/17/2051	231,000	127	(13)	114	17	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.557	Semi-Annual	03/17/2051	763,000	1	(12)	(11)	57	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.570	Semi-Annual	03/19/2051	222,000	0	(11)	(11)	17	0
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.572	Semi-Annual	04/07/2051	99,000	0	(5)	(5)	7	0
Pay[6]	1-Day USD-SOFR Compounded-OIS	1.400	Annual	12/07/2024	$ 291,800	122	(46)	76	0	(44)
Receive	1-Year BRL-CDI	2.850	Maturity	01/03/2022	BRL 59,100	0	163	163	0	0
Receive	1-Year BRL-CDI	2.859	Maturity	01/03/2022	47,000	0	127	127	0	0
Receive	1-Year BRL-CDI	2.860	Maturity	01/03/2022	48,400	(1)	134	133	0	0
Receive	1-Year BRL-CDI	2.870	Maturity	01/03/2022	14,300	0	39	39	0	0
Receive	1-Year BRL-CDI	2.871	Maturity	01/03/2022	21,000	0	57	57	0	0
Receive	1-Year BRL-CDI	2.883	Maturity	01/03/2022	35,000	0	93	93	0	0
Pay	1-Year BRL-CDI	3.345	Maturity	01/03/2022	6,300	0	(13)	(13)	0	0
Pay	1-Year BRL-CDI	3.350	Maturity	01/03/2022	147,700	(4)	(294)	(298)	0	0
Pay	1-Year BRL-CDI	3.360	Maturity	01/03/2022	939,800	261	(1,452)	(1,191)	0	(1)
Pay	1-Year BRL-CDI	3.700	Maturity	01/03/2022	173,700	(48)	(255)	(303)	0	0

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Receive	6-Month JPY-LIBOR	0.000%	Semi-Annual	03/15/2022	JPY 279,000	$ 0	$ (1)	$ (1)	$ 0	$ 0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/17/2022	994,000	0	(3)	(3)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/18/2022	2,930,000	0	(8)	(8)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/19/2022	222,000	0	(1)	(1)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/20/2022	1,000,000	0	(3)	(3)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	03/21/2022	340,000	0	(1)	(1)	0	0
Receive	6-Month JPY-LIBOR	0.000	Semi-Annual	04/07/2022	99,000	0	0	0	0	0
Pay	6-Month JPY-LIBOR	0.000	Semi-Annual	06/18/2022	1,640,000	0	4	4	0	0
						$ 643	$ (2,456)	$ (1,813)	$ 187	$ (226)
Total Swap Agreements						**$ 8,317**	**$ (2,519)**	**$ 5,798**	**$ 368**	**$ (226)**

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of December 31, 2021:

	Financial Derivative Assets				Financial Derivative Liabilities			
	Market Value	Variation Margin Asset			Market Value	Variation Margin Liability		
	Purchased Options	Futures	Swap Agreements	Total	Written Options	Futures	Swap Agreements	Total
Total Exchange-Traded or Centrally Cleared	**$ 0**	**$ 410**	**$ 368**	**$ 778**	**$ (56)**	**$ (253)**	**$ (226)**	**$ (535)**

(g) Securities with an aggregate market value of $9,049 and cash of $7,360 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of December 31, 2021. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

(1) If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) The maximum potential amount the Portfolio could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(3) The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the underlying referenced instrument's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(4) This instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

(h) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

FORWARD FOREIGN CURRENCY CONTRACTS:

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Unrealized Appreciation/ (Depreciation) Liability
BOA	01/2022	PEN	9,343	$	2,256	$ 0	$ (83)
	01/2022	$	78	MXN	1,628	1	0
	02/2022	EUR	5,204	$	5,898	0	(32)
	02/2022	GBP	675		901	0	(13)
	03/2022	MXN	1,628		77	0	(1)
BPS	01/2022	AUD	7,968		5,601	0	(197)
	01/2022	BRL	54,100		9,694	0	(18)
	01/2022	MXN	1,628		79	0	0
	01/2022	SGD	6,496		4,756	0	(64)
	01/2022	$	5,436	AUD	7,598	92	0
	01/2022		9,529	BRL	54,100	184	0
	02/2022		11,165	NOK	97,200	0	(137)
	04/2022	BRL	55,400	$	9,538	0	(182)
BSH	01/2022		48,400		8,412	0	(277)
	01/2022	$	8,673	BRL	48,400	16	0
	07/2022	BRL	375,151	$	67,354	3,298	0
CBK	01/2022	ILS	6,543		1,997	0	(108)
	01/2022	$	2,290	PEN	9,343	50	0
	03/2022	ILS	16,498	$	5,036	0	(273)
	04/2022		16,500		5,035	0	(277)

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Liability
	04/2022	PEN	25,020	$	6,579	$ 354	$ 0
	08/2022	ILS	15,618		4,876	0	(169)
	09/2022		15,502		4,826	0	(187)
	10/2022		15,501		4,834	0	(183)
	12/2022	PEN	9,343		2,228	0	(54)
DUB	10/2022	ILS	21,499		6,738	0	(221)
GLM	02/2022	$	1,158	GBP	868	17	0
	03/2022		122	MYR	520	2	0
HUS	01/2022	AUD	18,873	$	13,321	0	(410)
	02/2022	EUR	36,037		41,304	263	(23)
	02/2022	JPY	124,506		1,095	12	0
	02/2022	$	3,997	EUR	3,526	21	0
	02/2022		1,337	GBP	992	5	0
	02/2022		15,532	JPY	1,756,700	0	(256)
JPM	01/2022	BRL	33,300	$	5,825	0	(153)
	01/2022	$	5,867	BRL	33,300	112	0
	02/2022	EUR	4,206	$	4,747	0	(45)
	02/2022	$	4,015	JPY	455,800	0	(51)
	04/2022	BRL	28,500	$	4,892	0	(108)
	09/2022	ILS	40,503		12,707	0	(391)
MYI	01/2022	$	3,198	AUD	4,431	25	0
	02/2022		1,020	GBP	762	11	0
SCX	02/2022		3,389		2,546	57	0
TOR	01/2022	CAD	11,474	$	8,949	0	(122)
	01/2022	$	735	AUD	1,027	12	0
	01/2022		9,011	CAD	11,383	0	(13)
	02/2022	CAD	11,383	$	9,011	13	0
UAG	02/2022	GBP	68,054		91,447	0	(655)
Total Forward Foreign Currency Contracts						**$ 4,545**	**$ (4,703)**

WRITTEN OPTIONS:

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount[1]	Premiums (Received)	Market Value
GLM	Call - OTC 1-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	0.870%	11/02/2022	160,200	$ (319)	$ (162)
	Put - OTC 1-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.270	11/02/2022	160,200	(319)	(409)
Total Written Options							**$ (638)**	**$ (571)**

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral pledged/(received) as of December 31, 2021:

	Financial Derivative Assets				Financial Derivative Liabilities						
Counterparty	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter	Net Market Value of OTC Derivatives	Collateral Pledged/ (Received)	Net Exposure[2]
BOA	$ 1	$ 0	$ 0	$ 1	$ (129)	$ 0	$ 0	$ (129)	$ (128)	$ 0	$ (128)
BPS	276	0	0	276	(598)	0	0	(598)	(322)	302	(20)
BSH	3,314	0	0	3,314	(277)	0	0	(277)	3,037	(3137)	(100)
CBK	404	0	0	404	(1,251)	0	0	(1,251)	(847)	803	(44)
DUB	0	0	0	0	(221)	0	0	(221)	(221)	271	50
GLM	19	0	0	19	0	(571)	0	(571)	(552)	632	80
HUS	301	0	0	301	(689)	0	0	(689)	(388)	0	(388)
JPM	112	0	0	112	(748)	0	0	(748)	(636)	570	(66)
MYI	36	0	0	36	0	0	0	0	36	(10)	26
SCX	57	0	0	57	0	0	0	0	57	0	57
TOR	25	0	0	25	(135)	0	0	(135)	(110)	0	(110)
UAG	0	0	0	0	(655)	0	0	(655)	(655)	321	(334)
Total Over the Counter	**$ 4,545**	**$ 0**	**$ 0**	**$ 4,545**	**$ (4,703)**	**$ (571)**	**$ 0**	**$ (5,274)**			

(i) Securities with an aggregate market value of $2,899 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of December 31, 2021.

(1) Notional Amount represents the number of contracts.

(2) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

The following is a summary of the fair valuation of the Portfolio's derivative instruments categorized by risk exposure. See Note 7, Principal and Other Risks, in the Notes to Financial Statements on risks of the Portfolio.

Fair Values of Financial Derivative Instruments on the Statement of Assets and Liabilities as of December 31, 2021:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Financial Derivative Instruments - Assets						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ 410	$ 410
Swap Agreements	0	181	0	0	187	368
	$ 0	$ 181	$ 0	$ 0	$ 597	$ 778
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 4,545	$ 0	$ 4,545
	$ 0	$ 181	$ 0	$ 4,545	$ 597	$ 5,323
Financial Derivative Instruments - Liabilities						
Exchange-traded or centrally cleared						
Written Options	$ 0	$ 0	$ 0	$ 0	$ 56	$ 56
Futures	0	0	0	0	253	253
Swap Agreements	0	0	0	0	226	226
	$ 0	$ 0	$ 0	$ 0	$ 535	$ 535
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 4,703	$ 0	$ 4,703
Written Options	0	0	0	0	571	571
	$ 0	$ 0	$ 0	$ 4,703	$ 571	$ 5,274
	$ 0	$ 0	$ 0	$ 4,703	$ 1,106	$ 5,809

The effect of Financial Derivative Instruments on the Statement of Operations for the period ended December 31, 2021:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Net Realized Gain (Loss) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ (4,018)	$ (4,018)
Swap Agreements	0	1,422	0	0	(2,999)	(1,577)
	$ 0	$ 1,422	$ 0	$ 0	$ (7,017)	$ (5,595)
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 3,291	$ 0	$ 3,291
Written Options	0	0	0	127	0	127
Swap Agreements	0	20	0	0	(2)	18
	$ 0	$ 20	$ 0	$ 3,418	$ (2)	$ 3,436
	$ 0	$ 1,442	$ 0	$ 3,418	$ (7,019)	$ (2,159)
Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Written Options	$ 0	$ 0	$ 0	$ 0	$ 50	$ 50
Futures	0	0	0	0	(3,861)	(3,861)
Swap Agreements	0	(179)	0	0	721	542
	$ 0	$ (179)	$ 0	$ 0	$ (3,090)	$ (3,269)

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 9,309	$ 0	$ 9,309
Written Options	0	0	0	0	67	67
Swap Agreements	0	(11)	0	0	0	(11)
	$ 0	$ (11)	$ 0	$ 9,309	$ 67	$ 9,365
	$ 0	$ (190)	$ 0	$ 9,309	$ (3,023)	$ 6,096

FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of December 31, 2021 in valuing the Portfolio's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2021
Investments in Securities, at Value				
Corporate Bonds & Notes				
Banking & Finance	$ 0	$ 262,819	$ 0	$ 262,819
Industrials	0	171,017	0	171,017
Utilities	0	48,709	0	48,709
U.S. Government Agencies	0	230,909	0	230,909
Non-Agency Mortgage-Backed Securities	0	158,389	0	158,389
Asset-Backed Securities	0	143,905	0	143,905
Sovereign Issues	0	93,095	0	93,095
Short-Term Instruments				
Repurchase Agreements	0	5,084	0	5,084
Short-Term Notes	0	6,922	0	6,922
Israel Treasury Bills	0	40,523	0	40,523
U.S. Treasury Bills	0	492,727	0	492,727
U.S. Treasury Cash Management Bills	0	57,492	0	57,492
	$ 0	$ 1,711,591	$ 0	$ 1,711,591
Investments in Affiliates, at Value				
Short-Term Instruments				
Central Funds Used for Cash Management Purposes	$ 103,508	$ 0	$ 0	$ 103,508
Total Investments	$ 103,508	$ 1,711,591	$ 0	$ 1,815,099

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 12/31/2021
Short Sales, at Value - Liabilities				
U.S. Government Agencies	$ 0	$ (20,283)	$ 0	$ (20,283)
Financial Derivative Instruments - Assets				
Exchange-traded or centrally cleared	0	778	0	778
Over the counter	0	4,545	0	4,545
	$ 0	$ 5,323	$ 0	$ 5,323
Financial Derivative Instruments - Liabilities				
Exchange-traded or centrally cleared	(111)	(424)	0	(535)
Over the counter	0	(5,274)	0	(5,274)
	$ (111)	$ (5,698)	$ 0	$ (5,809)
Total Financial Derivative Instruments	$ (111)	$ (375)	$ 0	$ (486)
Totals	$ 103,397	$ 1,690,933	$ 0	$ 1,794,330

There were no significant transfers into or out of Level 3 during the period ended December 31, 2021.

1. ORGANIZATION

PIMCO Variable Insurance Trust (the "Trust") is a Delaware statutory trust established under a trust instrument dated October 3, 1997. The Trust is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Trust is designed to be used as an investment vehicle by separate accounts of insurance companies that fund variable annuity contracts and variable life insurance policies and by qualified pension and retirement plans. Information presented in these financial statements pertains to the Institutional Class, Administrative Class and Advisor Class shares of the PIMCO Low Duration Portfolio (the "Portfolio") offered by the Trust. Pacific Investment Management Company LLC ("PIMCO") serves as the investment adviser (the "Adviser") for the Portfolio.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Portfolio in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Portfolio is treated as an investment company under the reporting requirements of U.S. GAAP. The functional and reporting currency for the Portfolio is the U.S. dollar. The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

(a) Securities Transactions and Investment Income Securities transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled beyond a standard settlement period for the security after the trade date. Realized gains (losses) from securities sold are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Portfolio is informed of the ex-dividend date. Interest income, adjusted for the accretion of discounts and amortization of premiums, is recorded on the accrual basis from settlement date, with the exception of securities with a forward starting effective date, where interest income is recorded on the accrual basis from effective date. For convertible securities, premiums attributable to the conversion feature are not amortized. Estimated tax liabilities on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized appreciation (depreciation) on investments on the Statement of Operations, as appropriate. Tax liabilities realized as a result of such security sales are reflected as a component of net realized gain (loss) on investments on the Statement of Operations. Paydown gains (losses) on mortgage-related and other asset-backed securities, if any, are recorded as components of interest income on the Statement of Operations. Income or short-term capital gain distributions received from registered investment companies, if any, are recorded as dividend income. Long-term capital gain distributions received from registered investment companies, if any, are recorded as realized gains.

Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful based on consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is probable.

(b) Foreign Currency Translation The market values of foreign securities, currency holdings and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the current exchange rates each business day. Purchases and sales of securities and income and expense items denominated in foreign currencies, if any, are translated into U.S. dollars at the exchange rate in effect on the transaction date. The Portfolio does not separately report the effects of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized gain (loss) and net change in unrealized appreciation (depreciation) from investments on the Statement of Operations. The Portfolio may invest in foreign currency-denominated securities and may engage in foreign currency transactions either on a spot (cash) basis at the rate prevailing in the currency exchange market at the time or through a forward foreign currency contract. Realized foreign exchange gains (losses) arising from sales of spot foreign currencies, currency gains (losses) realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid are included in net realized gain (loss) on foreign currency transactions on the Statement of Operations. Net unrealized foreign exchange gains (losses) arising from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period are included in net change in unrealized appreciation (depreciation) on foreign currency assets and liabilities on the Statement of Operations.

(c) Multi-Class Operations Each class offered by the Trust has equal rights as to assets and voting privileges (except that shareholders of a class have exclusive voting rights regarding any matter relating solely to that class of shares). Income and non-class specific expenses are allocated daily to each class on the basis of the relative net assets. Realized and unrealized capital gains (losses) are allocated daily based on the relative net assets of each class of the Portfolio. Class specific expenses, where applicable, currently include supervisory and administrative and distribution and servicing fees. Under certain circumstances, the per share net asset value ("NAV") of a class of the Portfolio's shares may be different from the per share NAV of another class of shares as a result of the different daily expense accruals applicable to each class of shares.

(d) Distributions to Shareholders Distributions from net investment income, if any, are declared daily and distributed to shareholders monthly. In addition, the Portfolio distributes any net capital gains it earns from the sale of portfolio securities to shareholders no less frequently than annually.

Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on the Portfolio's annual financial statements presented under U.S. GAAP.

Separately, if the Portfolio determines or estimates, as applicable, that a portion of a distribution may be comprised of amounts from sources other than net investment income in accordance with its policies, accounting records (if applicable), and accounting practices, the Portfolio will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. For these purposes, the Portfolio determines or estimates, as applicable, the source or sources from which a distribution is paid, to the close of the period as of which it is paid, in reference to its internal accounting records and related accounting practices. If, based on such accounting records and practices, it is determined or estimated, as applicable, that a particular distribution does not include capital gains or paid-in surplus or other capital sources, a Section 19 Notice generally would not be issued. It is important to note that differences exist between the Portfolio's daily internal accounting records and practices, the Portfolio's financial statements presented in accordance with U.S. GAAP, and recordkeeping practices under income tax regulations. For instance, the Portfolio's internal accounting records and practices may take into account, among other factors, tax-related characteristics of certain sources of distributions that differ from treatment under U.S. GAAP. Examples of such differences may include but are not limited to, for certain Portfolios, the treatment of periodic payments under interest rate swap contracts. Accordingly, among other consequences, it is possible that the Portfolio may not issue a Section 19 Notice in situations where the Portfolio's financial statements prepared later and in accordance with U.S. GAAP and/or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital. Please visit www.pimco.com for the most recent Section 19 Notice, if applicable, for additional information regarding the estimated composition of distributions. Final determination of a distribution's tax character will be provided to shareholders when such information is available.

Distributions classified as a tax basis return of capital at the Portfolio's fiscal year end, if any, are reflected on the Statements of Changes in Net Assets and have been recorded to paid in capital on the Statement of Assets and Liabilities. In addition, other amounts have been reclassified between distributable earnings (accumulated loss) and paid in capital on the Statement of Assets and Liabilities to more appropriately conform U.S. GAAP to tax characterizations of distributions.

(e) New Accounting Pronouncements and Regulatory Updates In March 2020, the Financial Accounting Standards Board issued an Accounting Standards Update ("ASU"), ASU 2020-04, which provides optional guidance to ease the potential accounting burden associated with transitioning away from the London Interbank Offered Rate and other reference rates that are expected to be discontinued. The ASU is effective immediately upon release of the update on March 12, 2020 through December 31, 2022. At this time, management is evaluating implications of these changes on the financial statements.

In October 2020, the U.S. Securities and Exchange Commission ("SEC") adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that rescinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions. Subject to certain exceptions, the rule requires funds to trade derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions) subject to a value-at-risk leverage limit, certain derivatives risk management program and reporting requirements. The rule went into effect on February 19, 2021 and funds will have an eighteen-month transition period to comply with the rule and related reporting requirements. At this time, management is evaluating the implications of these changes on the financial statements.

In October 2020, the SEC adopted a rule regarding the ability of a fund to invest in other funds. The rule allows a fund to acquire shares of another fund in excess of certain limitations currently imposed by the Act without obtaining individual exemptive relief from the SEC, subject to certain conditions. The rule also includes the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The effective date for the rule was January 19, 2021, and the compliance date for the rule was January 19, 2022. Management has implemented changes in connection with the rule and has determined that there is no material impact to the Porfolio's financial statements.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Act, and the SEC noted that this definition would apply in all contexts under the Act. The effective date for the rule was March 8, 2021. The SEC adopted an eighteen-month transition period beginning from the effective date for both the new rule and the associated new recordkeeping requirements. At this time, management is evaluating the implications of these changes on the financial statements.

3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

(a) Investment Valuation Policies The price of the Portfolio's shares is based on the Portfolio's NAV. The NAV of the Portfolio, or each of its share classes, as applicable, is determined by dividing the total value of portfolio investments and other assets, less any liabilities attributable to the Portfolio or class, by the total number of shares outstanding of the Portfolio or class.

On each day that the New York Stock Exchange ("NYSE") is open, Portfolio shares are ordinarily valued as of the close of regular trading (normally 4:00 p.m., Eastern time) ("NYSE Close"). Information that becomes known to the Portfolio or its agents after the time as of which NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or the NAV determined earlier that day. If regular trading on the NYSE closes earlier than scheduled, the Portfolio reserves the right to either (i) calculate its NAV as of the earlier closing time or (ii) calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day. The Portfolio generally does not calculate its NAV on days during which the NYSE is closed. However, if the NYSE is closed on a day it would normally be open for business, the Portfolio reserves the right to calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day or such other time that the Portfolio may determine.

For purposes of calculating NAV, portfolio securities and other assets for which market quotes are readily available are valued at market value. Market value is generally determined on the basis of official closing prices or the last reported sales prices, or if no sales are reported, based on quotes obtained from established market makers or prices (including evaluated prices) supplied by the Portfolio's approved pricing services, quotation reporting systems and other third-party sources (together, "Pricing Services"). The Portfolio will normally use pricing data for domestic equity securities received shortly after the NYSE Close and does not normally take into account trading, clearances or settlements that take place after the NYSE Close. If market value pricing is used, a foreign (non-U.S.) equity security traded on a foreign exchange or on more than one exchange is typically valued using pricing information from the exchange considered by PIMCO to be the primary exchange. A foreign (non-U.S.) equity security will be valued as of the close of trading on the foreign exchange, or the NYSE Close, if the NYSE Close occurs before the end of trading on the foreign exchange. Domestic and foreign (non-U.S.) fixed income securities, non-exchange traded derivatives, and equity options are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services using such data reflecting the principal markets for those securities. Prices obtained from Pricing Services may be based on, among other things, information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. Exchange-traded options, except equity options, futures and options on futures are valued at the settlement price determined by the relevant exchange, quotes obtained from a quotation reporting system, established market makers or pricing services. Swap agreements are valued on the basis of market-based prices supplied by Pricing Services or quotes obtained from brokers and dealers. The Portfolio's investments in open-end management investment companies, other than exchange-traded funds ("ETFs"), are valued at the NAVs of such investments. Open-end management investment companies may include affiliated funds.

If a foreign (non-U.S.) equity security's value has materially changed after the close of the security's primary exchange or principal market but before the NYSE Close, the security may be valued at fair value based on procedures established and approved by the Board of Trustees of the Trust (the "Board"). Foreign (non-U.S.) equity securities that do not trade when the NYSE is open are also valued at fair value. With respect to foreign (non-U.S.) equity securities, the Portfolio may determine the fair value of investments based on information provided by Pricing Services and other third-party vendors, which may recommend fair value or adjustments with reference to other securities, indices or assets. In considering whether fair valuation is required and in determining fair values, the Portfolio may, among other things, consider significant events (which may be considered to include changes in the value of U.S. securities or securities indices) that occur after the close of the relevant market and before the NYSE Close. The Portfolio may utilize modeling tools provided by third-party vendors to determine fair values of foreign (non-U.S.) securities. For these purposes, any movement in the applicable reference index or instrument ("zero trigger") between the earlier close of the applicable foreign market and the NYSE Close may be deemed to be a significant event, prompting the application of the pricing model (effectively resulting in daily fair valuations). Foreign exchanges may permit trading in foreign (non-U.S.) equity securities on days when the Trust is not open for business, which may result in the Portfolio's portfolio investments being affected when shareholders are unable to buy or sell shares.

Senior secured floating rate loans for which an active secondary market exists to a reliable degree are valued at the mean of the last available bid/ask prices in the market for such loans, as provided by a Pricing Service. Senior secured floating rate loans for which an active secondary market does not exist to a reliable degree are valued at fair value, which is intended to approximate market value. In valuing a senior secured floating rate loan at fair value, the factors considered may include, but are not limited to, the following: (a) the creditworthiness of the borrower and any intermediate participants, (b) the terms of the loan, (c) recent prices in the market for similar loans, if any, and (d) recent prices in the market for instruments of similar quality, rate, period until next interest rate reset and maturity.

Investments valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from Pricing Services. As a result, the value of such investments and, in turn, the NAV of the Portfolio's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of investments traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the Trust is not open for business. As a result, to the extent that the Portfolio holds foreign (non-U.S.) investments, the value of those investments may change at times when shareholders are unable to buy or sell shares and the value of such investments will be reflected in the Portfolio's next calculated NAV.

Investments for which market quotes or market based valuations are not readily available are valued at fair value as determined in good faith by the Board or persons acting at their direction. The Board has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available, and has delegated to the Adviser the responsibility for applying the fair valuation methods. In the event that market quotes or market based valuations are not readily available, and the security or asset cannot be valued pursuant to a Board approved valuation method, the value of the security or asset will be determined in good faith by the Board. Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information, bid/ask information, indicative market quotations ("Broker Quotes"), Pricing Services' prices), including where events occur after the close of the relevant market, but prior to the NYSE Close, that materially affect the values of the Portfolio's securities or assets. In addition, market quotes are considered not readily available when, due to extraordinary circumstances, the exchanges or markets on which the securities trade do not open for trading for the entire day and no other market prices are available. The Board has delegated, to the Adviser, the responsibility for monitoring significant events that may materially affect the values of the Portfolio's securities or assets and for determining whether the value of the applicable securities or assets should be reevaluated in light of such significant events.

When the Portfolio uses fair valuation to determine the value of a portfolio security or other asset for purposes of calculating its NAV, such investments will not be priced on the basis of quotes from the primary market in which they are traded, but rather may be priced by another method that the Board or persons acting at their direction believe reflects fair value. Fair valuation may require subjective determinations about the value of a security. While the Trust's policy is intended to result in a calculation of the Portfolio's NAV that fairly reflects security values as of the time of pricing, the Trust cannot ensure that fair values determined by the Board or persons acting at their direction would accurately reflect the price that the Portfolio could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by the Portfolio may differ from the value that would be realized if the securities were sold. The Portfolio's use of fair valuation may also help to deter "stale price arbitrage" as discussed under the "Frequent or Excessive Purchases, Exchanges and Redemptions" section in the Portfolio's prospectus.

(b) Fair Value Hierarchy U.S. GAAP describes fair value as the price that the Portfolio would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes inputs to valuation methods and requires disclosure of the fair value hierarchy, separately for each major category of assets and liabilities, that segregates fair value measurements into levels (Level 1, 2, or 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Levels 1, 2, and 3 of the fair value hierarchy are defined as follows:

- Level 1 — Quoted prices in active markets or exchanges for identical assets and liabilities.
- Level 2 — Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in

markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

- Level 3 — Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Board or persons acting at their direction that are used in determining the fair value of investments.

In accordance with the requirements of U.S. GAAP, the amounts of transfers into and out of Level 3, if material, are disclosed in the Notes to Schedule of Investments for the Portfolio.

For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to realized gain (loss), unrealized appreciation (depreciation), purchases and sales, accrued discounts (premiums), and transfers into and out of the Level 3 category during the period. The end of period value is used for the transfers between Levels of the Portfolio's assets and liabilities. Additionally, U.S. GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets or liabilities categorized as Level 3 in the fair value hierarchy. In accordance with the requirements of U.S. GAAP, a fair value hierarchy, and if material, a Level 3 reconciliation and details of significant unobservable inputs, have been included in the Notes to Schedule of Investments for the Portfolio.

(c) Valuation Techniques and the Fair Value Hierarchy

Level 1, Level 2 and Level 3 trading assets and trading liabilities, at fair value The valuation methods (or "techniques") and significant inputs used in determining the fair values of portfolio securities or other assets and liabilities categorized as Level 1, Level 2 and Level 3 of the fair value hierarchy are as follows:

Fixed income securities including corporate, convertible and municipal bonds and notes, U.S. government agencies, U.S. treasury obligations, sovereign issues, bank loans, convertible preferred securities and non-U.S. bonds are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The Pricing Services' internal models use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar assets. Securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Fixed income securities purchased on a delayed-delivery basis or as a repurchase commitment in a sale-buyback transaction are marked to market daily until settlement at the forward settlement date and are categorized as Level 2 of the fair value hierarchy.

Mortgage-related and asset-backed securities are usually issued as separate tranches, or classes, of securities within each deal. These securities are also normally valued by Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The pricing models for these securities usually consider tranche-level attributes, current market data, estimated cash flows and market-based yield spreads for each tranche, and incorporate deal collateral performance, as available. Mortgage-related and asset-backed securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Common stocks, ETFs, exchange-traded notes and financial derivative instruments, such as futures contracts, rights and warrants, or options on futures that are traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy.

Valuation adjustments may be applied to certain securities that are solely traded on a foreign exchange to account for the market movement between the close of the foreign market and the NYSE Close. These securities are valued using Pricing Services that consider the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments. Securities using these valuation adjustments are categorized as Level 2 of the fair value hierarchy. Preferred securities and other equities traded on inactive markets or valued by reference to similar instruments are also categorized as Level 2 of the fair value hierarchy.

Valuation adjustments may be applied to certain exchange traded futures and options to account for market movement between the exchange settlement and the NYSE close. These securities are valued using quotes obtained from a quotation reporting system, established market makers or pricing services. Financial derivatives using these valuation adjustments are categorized as Level 2 of the fair value hierarchy.

Investments in registered open-end investment companies (other than ETFs) will be valued based upon the NAVs of such investments and are categorized as Level 1 of the fair value hierarchy. Investments in unregistered open-end investment companies will be calculated based upon the NAVs of such investments and are considered Level 1 provided that the NAVs are observable, calculated daily and are the value at which both purchases and sales will be conducted.

Equity exchange-traded options and over the counter financial derivative instruments, such as forward foreign currency contracts and options contracts derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. These contracts are normally valued on the basis of quotes obtained from a quotation reporting system, established market makers or Pricing Services (normally determined as of the NYSE Close). Depending on the product and the terms of the transaction, financial derivative instruments can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as quoted prices, issuer details, indices, bid/ask spreads, interest rates, implied volatilities, yield curves, dividends and exchange rates. Financial derivative instruments that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Centrally cleared swaps and over the counter swaps derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. They are valued using a broker-dealer bid quotation or on market-based prices provided by Pricing Services (normally determined as of the NYSE Close). Centrally cleared swaps and over the counter swaps can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models may use inputs that are observed from actively quoted markets such as the overnight index swap rate, London Interbank Offered Rate forward rate, interest rates, yield curves and credit spreads. These securities are categorized as Level 2 of the fair value hierarchy.

When a fair valuation method is applied by the Adviser that uses significant unobservable inputs, investments will be priced by a method that the Board or persons acting at their direction believe reflects fair value and are categorized as Level 3 of the fair value hierarchy.

Short-term debt instruments (such as commercial paper) having a remaining maturity of 60 days or less may be valued at amortized cost, so long as the amortized cost value of such short-term debt instruments is approximately the same as the fair value of the instrument as determined without the use of amortized cost valuation. These securities are categorized as Level 2 or Level 3 of the fair value hierarchy depending on the source of the base price.

4. SECURITIES AND OTHER INVESTMENTS

(a) Investments in Affiliates

The Portfolio may invest in the PIMCO Short Asset Portfolio and the PIMCO Short-Term Floating NAV Portfolio III ("Central Funds") to the extent permitted by the Act and rules thereunder. The Central Funds are registered investment companies created for use solely by the series of the Trust and other series of registered investment companies advised by the Adviser, in connection with their cash management activities. The main investments of the Central Funds are money market and short maturity fixed income instruments. The Central Funds may incur expenses related to their investment activities, but do not pay Investment Advisory Fees or Supervisory and Administrative Fees to the Adviser. The Central Funds are considered to be affiliated with the Portfolio. A complete schedule of portfolio holdings for each affiliate fund is filed with the SEC for the first and third quarters of each fiscal year on Form N-PORT and is available at the SEC's website at www.sec.gov. A copy of each affiliate fund's shareholder report is also available at the SEC's website at www.sec.gov, on the Portfolios' website at www.pimco.com, or upon request, as applicable. The tables below show the Portfolio's transactions in and earnings from investments in the affiliated Funds for the period ended December 31, 2021 (amounts in thousands†):

Investment in PIMCO Short Asset Portfolio

Market Value 12/31/2020	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2021	Dividend Income(1)	Realized Net Capital Gain Distributions(1)
$ 380,278	$ 3,346	$ (278,920)	$ 477	$ (1,905)	$ 103,276	$ 3,346	$ 0

Investment in PIMCO Short-Term Floating NAV Portfolio III

Market Value 12/31/2020	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 12/31/2021	Dividend Income(1)	Realized Net Capital Gain Distributions(1)
$ 99,078	$ 82,776	$ (181,601)	$ 41	$ (62)	$ 232	$ 175	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

(1) The tax characterization of distributions is determined in accordance with Federal income tax regulations and may contain a return of capital. The actual tax characterization of distributions received is determined at the end of the fiscal year of the affiliated fund. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(b) Investments in Securities

The Portfolio may utilize the investments and strategies described below to the extent permitted by the Portfolio's investment policies.

Inflation-Indexed Bonds are fixed income securities whose principal value is periodically adjusted by the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statement of Operations, even though investors do not receive their principal until maturity. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed in the case of U.S. Treasury Inflation-Protected Securities. For bonds that do not provide a similar guarantee, the adjusted principal value of the bond repaid at maturity may be less than the original principal.

Mortgage-Related and Other Asset-Backed Securities directly or indirectly represent a participation in, or are secured by and payable from, loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. These securities provide a monthly payment which consists of both interest and principal. Interest may be determined by fixed or adjustable rates. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may have the effect of shortening or extending the effective duration of the security relative to what was anticipated at the time of purchase. The timely payment of principal and interest of certain mortgage-related securities is guaranteed with the full faith and credit of the U.S. Government. Pools created and guaranteed by non-governmental issuers, including government-sponsored corporations, may be supported by various forms of insurance or guarantees, but there can be no assurance that private insurers or guarantors can meet their obligations under the insurance policies or guarantee arrangements. Many of the risks of investing in mortgage-related securities secured by commercial mortgage loans reflect the effects of local and other economic conditions on real estate markets, the ability of tenants to make lease payments, and the ability of a property to attract and retain tenants. These securities may be less liquid and may exhibit greater price volatility than other types of mortgage-related or other asset-backed securities. Other asset-backed securities are created from many types of assets, including, but not limited to, auto loans, accounts receivable, such as credit card receivables and hospital account receivables, home equity loans, student loans, boat loans, mobile home loans, recreational vehicle loans, manufactured housing loans, aircraft leases, computer leases and syndicated bank loans.

Collateralized Debt Obligations ("CDOs") include Collateralized Bond Obligations ("CBOs"), Collateralized Loan Obligations ("CLOs") and other similarly structured securities. CBOs and CLOs are types of asset-backed securities. A CBO is a trust which is backed by a diversified pool of high risk, below investment grade fixed income securities. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The risks of an investment in a CDO depend largely on the type of the collateral securities and the class of the CDO in which the Portfolio invests. In addition to the normal risks associated with fixed income securities discussed elsewhere in this report and the Portfolio's prospectus and statement of additional information (e.g., prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk (which may be exacerbated if the interest rate payable on a structured financing changes based on multiples of changes in interest rates or inversely to changes in interest rates)), CBOs, CLOs and other CDOs carry additional risks including, but not limited to, (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments, (ii) the quality of the collateral may decline in value or default, (iii) the risk that the Portfolio may invest in CBOs, CLOs, or other CDOs that are subordinate to other classes, and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

Collateralized Mortgage Obligations ("CMOs") are debt obligations of a legal entity that are collateralized by whole mortgage loans or private mortgage bonds and divided into classes. CMOs are structured into multiple classes, often referred to as "tranches", with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including prepayments. CMOs may be less liquid and may exhibit greater price volatility than other types of mortgage-related or asset-backed securities.

Stripped Mortgage-Backed Securities ("SMBS") are derivative multi-class mortgage securities. SMBS are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. An SMBS will have one class that will receive all of the interest (the interest-only or "IO" class), while the other class will receive the entire principal (the principal-only or "PO" class). Payments received for IOs are included in interest income on the Statement of Operations. Because no principal will be received at the maturity of an IO, adjustments are made to the cost of the security on a monthly basis until maturity. These adjustments are included in interest income on the Statement of Operations. Payments received for POs are treated as reductions to the cost and par value of the securities.

Restricted Investments are subject to legal or contractual restrictions on resale and may generally be sold privately, but may be required to be registered or exempted from such registration before being sold to the public. Private placement securities are generally considered to be restricted except for those securities traded between qualified institutional investors under the provisions of Rule 144A of the Securities Act of 1933. Disposal of restricted investments may involve time-consuming negotiations and expenses, and prompt sale at an acceptable price may be difficult to achieve. Restricted investments held by the Fund as of December 31, 2021, as applicable, are disclosed in the Notes to Schedule of Investments.

Securities Issued by U.S. Government Agencies or Government-Sponsored Enterprises are obligations of and, in certain cases, guaranteed by, the U.S. Government, its agencies or instrumentalities. Some U.S. Government securities, such as Treasury bills, notes and bonds, and securities guaranteed by the Government National Mortgage Association, are supported by the full faith and credit of the U.S. Government; others, such as those of the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Department of the Treasury (the "U.S. Treasury"); and others, such as those of the Federal National Mortgage Association ("FNMA" or "Fannie Mae"), are supported by the discretionary authority of the U.S. Government to purchase the agency's obligations. U.S. Government securities may include zero coupon securities which do not distribute interest on a current basis and tend to be subject to a greater risk than interest-paying securities of similar maturities.

Government-related guarantors (i.e., not backed by the full faith and credit of the U.S. Government) include FNMA and the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"). FNMA is a government-sponsored corporation. FNMA purchases conventional (i.e., not insured or guaranteed by any government agency) residential mortgages from a list of approved seller/servicers which include state and federally chartered savings and loan associations, mutual savings banks, commercial banks and credit unions and mortgage bankers. Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA, but are not backed by the full faith and credit of the U.S. Government. FHLMC issues Participation Certificates ("PCs"), which are pass-through securities, each representing an undivided interest in a pool of residential mortgages. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but PCs are not backed by the full faith and credit of the U.S. Government.

In June 2019, FNMA and FHLMC started issuing Uniform Mortgage Backed Securities in place of their current offerings of TBA-eligible securities (the "Single Security Initiative"). The Single Security Initiative seeks to support the overall liquidity of the TBA market and aligns the characteristics of FNMA and FHLMC certificates. The effects that the Single Security Initiative may have on the market for TBA and other mortgage-backed securities are uncertain.

Roll-timing strategies can be used where the Portfolio seeks to extend the expiration or maturity of a position, such as a TBA security on an underlying asset, by closing out the position before expiration and opening a new position with respect to substantially the same underlying asset with a later expiration date. TBA securities purchased or sold are reflected on the Statement of Assets and Liabilities as an asset or liability, respectively. Recently finalized FINRA rules include mandatory margin requirements for the TBA market that requires the Portfolio to post collateral in connection with its TBA transactions. There is no similar requirement applicable to the Portfolio's TBA counterparties. The required collateralization of TBA trades could increase the cost of TBA transactions to the Portfolio and impose added operational complexity.

When-Issued Transactions are purchases or sales made on a when-issued basis. These transactions are made conditionally because a security, although authorized, has not yet been issued in the market. Transactions to purchase or sell securities on a when-issued basis involve a commitment by the Portfolio to purchase or sell these securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. The Portfolio may sell when-issued securities before they are delivered, which may result in a realized gain (loss).

5. BORROWINGS AND OTHER FINANCING TRANSACTIONS

The Portfolio may enter into the borrowings and other financing transactions described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on the Portfolio's ability to lend or borrow cash or securities to the extent permitted under the Act, which may be viewed as borrowing or financing transactions by the Portfolio. The location of these instruments in the Portfolio's financial statements is described below.

(a) Repurchase Agreements Under the terms of a typical repurchase agreement, the Portfolio purchases an underlying debt obligation (collateral) subject to an obligation of the seller to repurchase, and the Portfolio to resell, the obligation at an agreed-upon price and time. In an open maturity repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The underlying securities for all repurchase agreements are held by the Portfolio's custodian or designated subcustodians under tri-party repurchase agreements and in certain instances will remain in custody with the counterparty. The market value of the collateral must be equal to or exceed the total amount of the repurchase obligations, including interest. Repurchase agreements, if any, including accrued interest, are included on the Statement of Assets and Liabilities. Interest earned is recorded as a component of interest income on the Statement of Operations. In periods of increased demand for collateral, the Portfolio may pay a fee for the receipt of collateral, which may result in interest expense to the Portfolio.

(b) Reverse Repurchase Agreements In a reverse repurchase agreement, the Portfolio delivers a security in exchange for cash to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed upon price and date. In an open maturity reverse repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The Portfolio is entitled to receive principal and interest payments, if any, made on the security delivered to the counterparty during the term of the agreement. Cash received in exchange for securities delivered plus accrued interest payments to be made by the Portfolio to counterparties are reflected as a liability on the Statement of Assets and Liabilities. Interest payments made by the Portfolio to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Portfolio may receive a fee for use of the security by the counterparty, which may result in interest income to the Portfolio. The Portfolio will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under reverse repurchase agreements.

(c) Short Sales Short sales are transactions in which the Portfolio sells a security that it may not own. The Portfolio may make short sales of securities to (i) offset potential declines in long positions in similar securities, (ii) to increase the flexibility of the Portfolio, (iii) for investment return, (iv) as part of a risk arbitrage strategy, and (v) as part of its overall portfolio management strategies involving the use of derivative instruments. When the Portfolio engages in a short sale, it may borrow the security sold short and deliver it to the counterparty. The Portfolio will ordinarily have to pay a fee or premium to borrow a security and be obligated to repay the lender of the security any dividend or interest that accrues on the security during the period of the loan. Securities sold in short sale transactions and the dividend or interest payable on such securities, if any, are reflected as payable for short sales on the Statement of Assets and Liabilities. Short sales expose the Portfolio to the risk that it will be required to cover its short position at a time when the security or other asset has appreciated in value, thus resulting in losses to the Portfolio. A short sale is "against the box" if the Portfolio holds in its portfolio or has the right to acquire the security sold short, or securities identical to the security sold short, at no additional cost. The Portfolio will be subject to additional risks to the extent that it engages in short sales that are not "against the box." The Portfolio's loss on a short sale could theoretically be unlimited in cases where the Portfolio is unable, for whatever reason, to close out its short position.

(d) Interfund Lending In accordance with an exemptive order (the "Order") from the SEC, each Portfolio of the Trust may participate in a joint lending and borrowing facility for temporary purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by each Portfolio's investment policies and restrictions. Each Portfolio is currently permitted to borrow under the Interfund Lending Program. A lending portfolio may lend in aggregate up to 15% of its current net assets at the time of the interfund loan, but may not lend more than 5% of its net assets to any one borrowing portfolio through the Interfund Lending Program. A borrowing portfolio may not borrow through the Interfund Lending Program or from any other source if its total outstanding borrowings immediately after the borrowing would be more than 33 1/3% of its total assets (or any lower threshold provided for by the portfolio's investment restrictions). If a borrowing portfolio's total outstanding borrowings exceed 10% of its total assets, each of its outstanding interfund loans will be subject to collateralization of at least 102% of the outstanding principal value of the loan. All interfund loans are for temporary or emergency purposes and the interfund loan rate to be charged will be the average of the highest current overnight repurchase agreement rate available to a lending portfolio and the bank loan rate, as calculated according to a formula established by the Board.

On March 23, 2020, the SEC issued an exemptive order (the "Temporary Order") to provide temporary relief to each Portfolio of the Trust in relation to the Interfund Lending Program, and the Board has authorized the Portfolios to rely on the Temporary Order. With respect to interfund lending, the Temporary Order permitted, under certain conditions, a lending portfolio to lend in aggregate up to 25% of its current net assets at the time of the interfund loan and to make interfund loans with term limits of up to the expiration of the Temporary Order, notwithstanding the current limit of seven business days under the Order. The SEC provided notice in April 2021 that the Temporary Order would be terminated on April 30, 2021.

During the period ended December 31, 2021, the Portfolio did not participate in the Interfund Lending Program.

6. FINANCIAL DERIVATIVE INSTRUMENTS

The Portfolio may enter into the financial derivative instruments described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on how and why the Portfolio uses financial derivative instruments, and how financial derivative instruments affect the Portfolio's financial position, results of operations and cash flows. The location and fair value amounts of these instruments on the Statement of Assets and Liabilities and the net realized gain (loss) and net change in unrealized appreciation (depreciation) on the Statement of Operations, each categorized by type of financial derivative contract and related risk exposure, are included in a table in the Notes to Schedule of Investments. The financial derivative instruments outstanding as of period end and the amounts of net realized gain (loss) and net change in unrealized appreciation (depreciation) on financial derivative instruments during the period, as disclosed in the Notes to Schedule of Investments, serve as indicators of the volume of financial derivative activity for the Portfolio.

(a) Forward Foreign Currency Contracts may be engaged, in connection with settling planned purchases or sales of securities, to hedge the currency exposure associated with some or all of the Portfolio's securities or as part of an investment strategy. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. The market value of a forward foreign currency contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency contracts are marked to market daily, and the change in value is recorded by the Portfolio as an unrealized gain (loss). Realized gains (losses) are equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed and are recorded upon delivery or receipt of the currency. These contracts may involve market risk in excess of the unrealized gain (loss) reflected on the Statement of Assets and Liabilities. In addition, the Portfolio could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably to the U.S. dollar. To mitigate such risk, cash or securities may be exchanged as collateral pursuant to the terms of the underlying contracts.

(b) Futures Contracts are agreements to buy or sell a security or other asset for a set price on a future date and are traded on an exchange. The Portfolio may use futures contracts to manage its exposure to the securities markets or to movements in interest rates and currency values. The primary risks associated with the use of futures contracts are the imperfect correlation between the change in market value of the securities held by the Portfolio and the prices of futures contracts and the possibility of an illiquid market. Futures contracts are valued based upon their quoted daily settlement prices. Upon entering into a futures contract, the Portfolio is required to deposit with its futures broker an amount of cash, U.S. Government and Agency Obligations, or select sovereign debt, in accordance with the initial margin requirements of the broker or exchange. Futures contracts are marked to market daily and based on such movements in the price of the contracts, an appropriate payable or receivable for the change in value may be posted or collected by the Portfolio ("Futures Variation Margin"). Futures Variation Margins, if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Gains (losses) are recognized but not considered realized until the contracts expire or close. Futures contracts involve, to varying degrees, risk of loss in excess of the Futures Variation Margin included within exchange traded or centrally cleared financial derivative instruments on the Statement of Assets and Liabilities.

(c) Options Contracts may be written or purchased to enhance returns or to hedge an existing position or future investment. The Portfolio may write call and put options on securities and financial derivative instruments it owns or in which it may invest. Writing put options tends to increase the Portfolio's exposure to the underlying instrument. Writing call options tends to decrease the Portfolio's exposure to the underlying instrument. When the Portfolio writes a call or put, an amount equal to the premium received is recorded and subsequently marked to market to reflect the current value of the option written. These amounts are included on the Statement of Assets and Liabilities. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying futures, swap, security or currency transaction to determine the realized gain (loss). Certain options may be written with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The Portfolio as a writer of an option has no control over whether the underlying instrument may be sold ("call") or purchased ("put") and as a result bears the market risk of an unfavorable change in the price of the instrument underlying the written option. There is the risk the Portfolio may not be able to enter into a closing transaction because of an illiquid market.

Purchasing call options tends to increase the Portfolio's exposure to the underlying instrument. Purchasing put options tends to decrease the Portfolio's exposure to the underlying instrument. The Portfolio pays a premium which is included as an asset on the Statement of Assets and Liabilities and subsequently marked to market to reflect the current value of the option. Premiums paid for purchasing options which expire are treated as realized losses. Certain options may be purchased with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The risk associated with purchasing put and call options is limited to the premium paid. Premiums paid for purchasing options which are exercised or closed are added to the amounts paid or offset against the proceeds on the underlying investment transaction to determine the realized gain (loss) when the underlying transaction is executed.

Foreign Currency Options may be written or purchased to be used as a short or long hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

Interest Rate Swaptions may be written or purchased to enter into a pre-defined swap agreement or to shorten, extend, cancel or otherwise modify an existing swap agreement, by some specified date in the future. The writer of the swaption becomes the counterparty to the swap if the buyer exercises. The interest rate swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer upon exercise.

Options on Exchange-Traded Futures Contracts ("Futures Option") may be written or purchased to hedge an existing position or future investment, for speculative purposes or to manage exposure to market movements. A Futures Option is an option contract in which the underlying instrument is a single futures contract.

(d) Swap Agreements are bilaterally negotiated agreements between the Portfolio and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. Swap agreements may be privately negotiated in the over the counter market ("OTC swaps") or may be cleared through a third party, known as a central counterparty or derivatives clearing organization ("Centrally Cleared Swaps"). The Portfolio may enter into asset, credit default, cross-currency, interest rate, total return, variance and other forms of swap agreements to manage its exposure to credit, currency, interest rate, commodity, equity and inflation risk. In connection with these agreements, securities or cash may be identified as collateral or margin in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

Centrally Cleared Swaps are marked to market daily based upon valuations as determined from the underlying contract or in accordance with the requirements of the central counterparty or derivatives clearing organization. Changes in market value, if any, are reflected as a component of net change in unrealized appreciation (depreciation) on the Statement of Operations. Daily changes in valuation of centrally cleared swaps ("Swap Variation Margin"), if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Centrally Cleared and OTC swap payments received or paid at the beginning of the measurement period are included on the Statement of Assets and Liabilities and represent premiums paid or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). Upfront premiums received (paid) are initially recorded as liabilities (assets) and subsequently marked to market to reflect the current value of the swap. These upfront premiums are recorded as realized gain (loss) on the Statement of Operations upon termination or maturity of the swap. A liquidation payment received or made at the termination of the swap is recorded as realized gain (loss) on the Statement of Operations. Net periodic payments received or paid by the Portfolio are included as part of realized gain (loss) on the Statement of Operations.

For purposes of applying certain of the Portfolio's investment policies and restrictions, swap agreements, like other derivative instruments, may be valued by the Portfolio at market value, notional value or full exposure value. In the case of a credit default swap, in applying certain of the Portfolio's investment policies and restrictions, the Portfolio will value the credit default swap at its notional value or its full exposure value (*i.e.*, the sum of the notional amount for the contract plus the market value), but may value the credit default swap at market value for purposes of applying certain of the Portfolio's other investment policies and restrictions. For example, the Portfolio may value credit default swaps at full exposure value for purposes of the Portfolio's credit quality guidelines (if any) because such value in general better reflects the Portfolio's actual economic exposure during the term of the credit default swap agreement. As a result, the Portfolio may, at times, have notional exposure to an asset class (before netting) that is greater or lesser than the stated limit or restriction noted in the Portfolio's prospectus. In this context, both the notional amount and the market value may be positive or negative depending on whether the Portfolio is selling or buying protection through the credit default swap. The manner in which certain securities or other instruments are valued by the Portfolio for purposes of applying investment policies and restrictions may differ from the manner in which those investments are valued by other types of investors.

Entering into swap agreements involves, to varying degrees, elements of interest, credit, market and documentation risk in excess of the amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements and that there may be unfavorable changes in interest rates or the values of the asset upon which the swap is based.

The Portfolio's maximum risk of loss from counterparty credit risk is the discounted net value of the cash flows to be received from the counterparty over the contract's remaining life, to the extent that amount is positive. The risk may be mitigated by having a master netting arrangement between the Portfolio and the counterparty and by the posting of collateral to the Portfolio to cover the Portfolio's exposure to the counterparty.

To the extent the Portfolio has a policy to limit the net amount owed to or to be received from a single counterparty under existing swap agreements, such limitation only applies to counterparties to OTC swaps and does not apply to centrally cleared swaps where the counterparty is a central counterparty or derivatives clearing organization.

Credit Default Swap Agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues are entered into to provide a measure of protection against defaults of the issuers (*i.e.*, to reduce risk where the Portfolio owns or has exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood of a particular issuer's default. Credit default swap agreements involve one party making a stream of payments (referred to as the buyer of protection) to another party (the seller of protection) in exchange for the right to receive a specified return in the event that the referenced entity, obligation or index, as specified in the swap agreement, undergoes a certain credit event. As a seller of protection on credit default swap agreements, the Portfolio will generally receive from the buyer of protection a fixed rate of income throughout the term of the swap provided that there is no credit event. As the seller, the Portfolio would effectively add leverage to its portfolio because, in addition to its total net assets, the Portfolio would be subject to investment exposure on the notional amount of the swap.

If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are estimated by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred, the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event).

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset-backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and for most indices, each name has an equal weight in the index. Credit default swaps on credit indices may be used to hedge a portfolio of credit default swaps or bonds, which is less expensive than it would be to buy many credit default swaps to achieve a similar effect. Credit default swaps on indices are instruments for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues as of period end, if any, are disclosed in the Notes to Schedule of Investments. They serve as an indicator of the current status of payment/performance risk and represent the likelihood or risk of default for the reference entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that the Portfolio as a seller of protection could be required to make under a credit default swap agreement equals the notional amount of the agreement. Notional amounts of each individual credit default swap agreement outstanding as of period end for which the Portfolio is the seller of protection are disclosed in the Notes to Schedule of Investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Portfolio for the same referenced entity or entities.

Interest Rate Swap Agreements may be entered into to help hedge against interest rate risk exposure and to maintain the Portfolio's ability to generate income at prevailing market rates. The value of the fixed rate bonds that the Portfolio holds may decrease if interest rates rise. To help hedge against this risk and to maintain its ability to generate income at prevailing market rates, the Portfolio may enter into interest rate swap agreements. Interest rate swap agreements involve the exchange by the Portfolio with another party for their respective commitment to pay or receive interest on the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap," (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or "floor," (iii) interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the buyer pays an upfront fee in consideration for the right to early terminate the swap transaction in whole, at zero cost and at a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swaps, under which two parties can exchange variable interest rates based on different segments of money markets.

7. PRINCIPAL AND OTHER RISKS

(a) Principal Risks

The principal risks of investing in the Portfolio, which could adversely affect its net asset value, yield and total return, are listed below. Please see "Description of Principal Risks" in the Portfolio's prospectus for a more detailed description of the risks of investing in the Portfolio.

Interest Rate Risk is the risk that fixed income securities will decline in value because of an increase in interest rates; a portfolio with a longer average portfolio duration will be more sensitive to changes in interest rates than a portfolio with a shorter average portfolio duration.

Call Risk is the risk that an issuer may exercise its right to redeem a fixed income security earlier than expected (a call). Issuers may call outstanding securities prior to their maturity for a number of reasons (*e.g.,* declining interest rates, changes in credit spreads and improvements in the issuer's credit quality). If an issuer calls a security that the Portfolio has invested in, the Portfolio may not recoup the full amount of its initial investment and may be forced to reinvest in lower-yielding securities, securities with greater credit risks or securities with other, less favorable features.

Credit Risk is the risk that the Portfolio could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivative contract, is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to meet its financial obligations.

High Yield Risk is the risk that high yield securities and unrated securities of similar credit quality (commonly known as "junk bonds") are subject to greater levels of credit, call and liquidity risks. High yield securities are considered primarily speculative with respect to the issuer's continuing ability to make principal and interest payments, and may be more volatile than higher-rated securities of similar maturity.

Market Risk is the risk that the value of securities owned by the Portfolio may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

Issuer Risk is the risk that the value of a security may decline for a reason directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Liquidity Risk is the risk that a particular investment may be difficult to purchase or sell and that the Portfolio may be unable to sell illiquid investments at an advantageous time or price or achieve its desired level of exposure to a certain sector. Liquidity risk may result from the lack of an active market, reduced number and capacity of traditional market participants to make a market in fixed income securities, and may be magnified in a rising interest rate environment or other circumstances where investor redemptions from fixed income funds may be higher than normal, causing increased supply in the market due to selling activity.

Derivatives Risk is the risk of investing in derivative instruments (such as futures, swaps and structured securities), including leverage, liquidity, interest rate, market, credit and management risks, and valuation complexity. Changes in the value of a derivative may not correlate perfectly with, and may be more sensitive to market events than, the underlying asset, rate or index, and the Portfolio could lose more than the initial amount invested. The Portfolio's use of derivatives may result in losses to the Portfolio, a reduction in the Portfolio's returns and/or increased volatility. Over-the-counter ("OTC") derivatives are also subject to the risk that a counterparty to the transaction will not fulfill its contractual obligations to the other party, as many of the protections afforded to centrally-cleared derivative transactions might not be available for OTC derivatives. The primary credit risk on derivatives that are exchange-traded or traded through a central clearing counterparty, resides with the Portfolio's clearing broker or the clearinghouse. Changes in regulation relating to a mutual fund's use of derivatives and related instruments could potentially limit or impact the Portfolio's ability to invest in derivatives, limit the Portfolio's ability to employ certain strategies that use derivatives and/or adversely affect the value of derivatives and the Portfolio's performance.

Equity Risk is the risk that the value of equity securities, such as common stocks and preferred securities, may decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.

Mortgage-Related and Other Asset-Backed Securities Risk is the risk of investing in mortgage-related and other asset-backed securities, including interest rate risk, extension risk, prepayment risk and credit risk.

Foreign (Non-U.S.) Investment Risk is the risk that investing in foreign (non-U.S.) securities may result in the Portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies, due to smaller markets, differing reporting, accounting and auditing standards, increased risk of delayed settlement of portfolio transactions or loss of certificates of portfolio securities, and the risk of unfavorable foreign government actions, including nationalization, expropriation or confiscatory taxation, currency blockage, or political changes or diplomatic developments. Foreign securities may also be less liquid and more difficult to value than securities of U.S. issuers.

Emerging Markets Risk is the risk of investing in emerging market securities, primarily increased foreign (non-U.S.) investment risk.

Sovereign Debt Risk is the risk that investments in fixed income instruments issued by sovereign entities may decline in value as a result of default or other adverse credit event resulting from an issuer's inability or unwillingness to make principal or interest payments in a timely fashion.

Currency Risk is the risk that foreign (non-U.S.) currencies will change in value relative to the U.S. dollar and affect the Portfolio's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

Leveraging Risk is the risk that certain transactions of the Portfolio, such as reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed delivery or forward commitment transactions, or derivative instruments, may give rise to leverage, magnifying gains and losses and causing the Portfolio to be more volatile than if it had not been leveraged. This means that leverage entails a heightened risk of loss.

Management Risk is the risk that the investment techniques and risk analyses applied by PIMCO will not produce the desired results and that actual or potential conflicts of interest, legislative, regulatory, or tax restrictions, policies or developments may affect the investment techniques available to PIMCO and the individual portfolio manager in connection with managing the Portfolio and may cause PIMCO to restrict or prohibit participation in certain investments. There is no guarantee that the investment objective of the Portfolio will be achieved.

Short Exposure Risk is the risk of entering into short sales, including the potential loss of more money than the actual cost of the investment, and the risk that the third party to the short sale will not fulfill its contractual obligations, causing a loss to the Portfolio.

LIBOR Transition Risk is the risk related to the anticipated discontinuation of the London Interbank Offered Rate ("LIBOR"). Certain instruments held by the Portfolio rely in some fashion upon LIBOR. Although the transition process away from LIBOR has become increasingly well-defined in advance of the anticipated discontinuation date, there remains uncertainty regarding the nature of any replacement rate, and any potential effects of the transition away from LIBOR on a Portfolio or on certain instruments in which the Portfolio invests can be difficult to ascertain. The transition process may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR and may result in a reduction in the value of certain instruments held by a Portfolio.

(b) Other Risks

In general, the Portfolio may be subject to additional risks, including, but not limited to, risks related to government regulation and intervention in financial markets, operational risks, risks associated with financial, economic and global market disruptions, and cybersecurity risks. Please see the Portfolio's prospectus and Statement of Additional Information for a more detailed description of the risks of investing in the Portfolio. Please see the Important Information section of this report for additional discussion of certain regulatory and market developments that may impact the Portfolio's performance.

Market Disruption Risk The Portfolio is subject to investment and operational risks associated with financial, economic and other global market developments and disruptions, including those arising from war, terrorism, market manipulation, government interventions, defaults and shutdowns, political changes or diplomatic developments, public health emergencies (such as the spread of infectious diseases, pandemics and epidemics) and natural/environmental disasters, which can all negatively impact the securities markets and cause the Portfolio to lose value. These events can also impair the technology and other operational systems upon which the Portfolio's service providers, including PIMCO as the Portfolio's investment adviser, rely, and could otherwise disrupt the Portfolio's service providers' ability to fulfill their obligations to the Portfolio. For example, the recent spread of an infectious respiratory illness caused by a novel strain of coronavirus (known as COVID-19) has caused volatility, severe market dislocations and liquidity constraints in many markets, including markets for the securities the Portfolio holds, and may adversely affect the Portfolio's investments and operations. Please see the Important Information section for additional discussion of the COVID-19 pandemic.

Government Intervention in Financial Markets Federal, state, and other governments, their regulatory agencies, or self-regulatory organizations may take actions that affect the regulation of the instruments in which the Portfolio invests, or the issuers of such instruments, in ways that are unforeseeable. Legislation or regulation may also change the way in which the Portfolio itself is regulated. Such legislation or regulation could limit or preclude the Portfolio's ability to achieve its investment objective. Furthermore, volatile financial markets can expose the Portfolio to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by the Portfolio. The value of the Portfolio's holdings is also generally subject to the risk of future local, national, or global economic disturbances based on unknown weaknesses in the markets in which the Portfolio invests. In addition, it is not certain that the U.S. Government will intervene in response to a future market disturbance and the effect of any such future intervention cannot be predicted. It is difficult for issuers to prepare for the impact of future financial downturns, although companies can seek to identify and manage future uncertainties through risk management programs.

Regulatory Risk Financial entities, such as investment companies and investment advisers, are generally subject to extensive government regulation and intervention. Government regulation and/or intervention may change the way the Portfolio is regulated, affect the expenses incurred directly by the Portfolio and the value of its investments, and limit and/or preclude the Portfolio's ability to achieve its investment objective. Government regulation may change frequently and may have significant adverse consequences. Moreover, government regulation may have unpredictable and unintended effects.

Operational Risk An investment in the Portfolio, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failures in systems and technology, changes in personnel and errors caused by third-party service providers. The occurrence of any of these failures, errors or breaches could result in a loss of information, regulatory scrutiny, reputational damage or other events, any of which could have a material adverse effect on the Portfolio. While the Portfolio seeks to minimize such events through controls and oversight, there may still be failures that could cause losses to the Portfolio.

Cyber Security Risk As the use of technology has become more prevalent in the course of business, the Portfolio has become potentially more susceptible to operational and information security risks resulting from breaches in cyber security. A breach in cyber security refers to both intentional and unintentional cyber events that may, among other things, cause the Portfolio to lose proprietary information, suffer data corruption and/or destruction or lose operational capacity, result in the unauthorized release or other misuse of confidential information, or otherwise disrupt normal business operations. Cyber security failures or breaches may result in financial losses to the Portfolio and its shareholders. These failures or breaches may also result in disruptions to business operations, potentially resulting in financial losses; interference with the Portfolio's ability to calculate its net asset value, process shareholder transactions or otherwise transact business with shareholders; impediments to trading; violations of applicable privacy and other laws; regulatory fines; penalties; reputational damage; reimbursement or other compensation costs; additional compliance and cyber security risk management costs and other adverse consequences. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future.

8. MASTER NETTING ARRANGEMENTS

The Portfolio may be subject to various netting arrangements ("Master Agreements") with select counterparties. Master Agreements govern the terms of certain transactions, and are intended to reduce the counterparty risk associated with relevant transactions by specifying credit protection mechanisms and providing standardization that is intended to improve legal certainty. Each type of Master Agreement governs certain types of transactions. Different types of transactions may be traded out of different legal entities or affiliates of a particular organization, resulting in the need for multiple agreements with a single counterparty. As the Master Agreements are specific to unique operations of different asset types, they allow the Portfolio to close out and net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single Master Agreement with a counterparty. For financial reporting purposes the Statement of Assets and Liabilities generally presents derivative assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting.

Master Agreements can also help limit counterparty risk by specifying collateral posting arrangements at pre-arranged exposure levels. Under most Master Agreements, collateral is routinely transferred if the total net exposure to certain transactions (net of existing collateral already in place) governed under the relevant Master Agreement with a counterparty in a given account exceeds a specified threshold, which typically ranges from zero to $250,000 depending on the counterparty and the type of Master Agreement. United States Treasury Bills and U.S. dollar cash are generally the preferred forms of collateral, although other securities may be used depending on the terms outlined in the applicable Master Agreement. Securities and cash pledged as collateral are reflected as assets on the Statement of Assets and Liabilities as either a component of Investments at value (securities) or Deposits with counterparty. Cash collateral received is not typically held in a segregated account and as such is reflected as a liability on the Statement of Assets and Liabilities as Deposits from counterparty. The market value of any securities received as collateral is not reflected as a component of NAV. The Portfolio's overall exposure to counterparty risk can change substantially within a short period, as it is affected by each transaction subject to the relevant Master Agreement.

Master Repurchase Agreements and Global Master Repurchase Agreements (individually and collectively "Master Repo Agreements") govern repurchase, reverse repurchase, and certain sale-buyback transactions between the Portfolio and select counterparties. Master Repo Agreements maintain provisions for, among other things, initiation, income payments, events of default, and maintenance of collateral. The market value of transactions under the Master Repo Agreement, collateral pledged or received, and the net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

Master Securities Forward Transaction Agreements ("Master Forward Agreements") govern certain forward settling transactions, such as TBA securities, delayed-delivery or certain sale-buyback transactions by and between the Portfolio and select counterparties. The Master Forward Agreements maintain provisions for, among other things, transaction initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral. The market value of forward settling transactions, collateral pledged or received, and the net exposure by counterparty as of period end is disclosed in the Notes to Schedule of Investments.

Customer Account Agreements and related addenda govern cleared derivatives transactions such as futures, options on futures, and cleared OTC derivatives. Such transactions require posting of initial margin as determined by each relevant clearing agency which is segregated in an account at a futures commission merchant ("FCM") registered with the Commodity Futures Trading Commission. In the United States, counterparty risk may be reduced as creditors of an FCM cannot have a claim to Portfolio assets in the segregated account. Portability of exposure reduces risk to the Portfolio. Variation margin, which reflects changes in market value, is generally exchanged daily, but may not be netted between futures and cleared OTC derivatives unless the parties have agreed to a separate arrangement in respect of portfolio margining. The market value or accumulated unrealized appreciation (depreciation), initial margin posted, and any unsettled variation margin as of period end are disclosed in the Notes to Schedule of Investments.

Prime Broker Arrangements may be entered into to facilitate execution and/or clearing of listed equity option transactions or short sales of equity securities between the Portfolio and selected counterparties. The arrangements provide guidelines surrounding the rights, obligations, and other events, including, but not limited to, margin, execution, and settlement. These agreements maintain provisions for, among other things, payments, maintenance of collateral, events of default, and termination. Margin and other assets delivered as collateral are typically in the possession of the prime broker and would offset any obligations due to the prime broker. The market values of listed options and securities sold short and related collateral are disclosed in the Notes to Schedule of Investments.

International Swaps and Derivatives Association, Inc. Master Agreements and Credit Support Annexes ("ISDA Master Agreements") govern bilateral OTC derivative transactions entered into by the Portfolio with select counterparties. ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral posting and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. The ISDA Master Agreement may contain additional provisions that add counterparty protection beyond coverage of existing daily exposure if the counterparty has a decline in credit quality below a predefined level or as required by regulation. Similarly, if required by regulation, the Portfolio may be required to post additional collateral beyond coverage of daily exposure. These amounts, if any, may (or if required by law, will) be segregated with a third-party custodian. To the extent the Portfolio is required by regulation to post additional collateral beyond coverage of daily exposure, it could potentially incur costs, including in procuring eligible assets to meet collateral requirements, associated with such posting. The market value of OTC financial derivative instruments, collateral received or pledged, and net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

9. FEES AND EXPENSES

(a) Investment Advisory Fee PIMCO is a majority-owned subsidiary of Allianz Asset Management of America L.P. ("Allianz Asset Management") and serves as the Adviser to the Trust, pursuant to an investment advisory contract. The Adviser receives a monthly fee from the Portfolio at an annual rate based on average daily net assets (the "Investment Advisory Fee"). The Investment Advisory Fee for all classes is charged at an annual rate as noted in the table in note (b) below.

(b) Supervisory and Administrative Fee PIMCO serves as administrator (the "Administrator") and provides supervisory and administrative services to the Trust for which it receives a monthly supervisory and administrative fee based on each share class's average daily net assets (the "Supervisory and Administrative Fee"). As the Administrator, PIMCO bears the costs of various third-party services, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs.

The Investment Advisory Fee and Supervisory and Administrative Fees for all classes, as applicable, are charged at the annual rate as noted in the following table (calculated as a percentage of the Portfolio's average daily net assets attributable to each class):

Investment Advisory Fee	Supervisory and Administrative Fee		
All Classes	Institutional Class	Administrative Class	Advisor Class
0.25%	0.25%	0.25%	0.25%

(c) Distribution and Servicing Fees PIMCO Investments LLC, a wholly-owned subsidiary of PIMCO, serves as the distributor ("Distributor") of the Trust's shares.

The Trust has adopted an Administrative Services Plan with respect to the Administrative Class shares of the Portfolio pursuant to Rule 12b-1 under the Act (the "Administrative Plan"). Under the terms of the Administrative Plan, the Trust is permitted to compensate the Distributor, out of the Administrative Class assets of the Portfolio, in an amount up to 0.15% on an annual basis of the average daily net assets of that class, for providing or procuring through financial intermediaries administrative, recordkeeping and investor services for Administrative Class shareholders of the Portfolio.

The Trust has adopted a separate Distribution and Servicing Plan for the Advisor Class shares of the Portfolio (the "Distribution and Servicing Plan"). The Distribution and Servicing Plan has been adopted pursuant to Rule 12b-1 under the Act. The Distribution and Servicing Plan permits the Portfolio to compensate the Distributor for providing or procuring through financial intermediaries, distribution, administrative, recordkeeping, shareholder and/or related services with respect to Advisor Class shares. The Distribution and Servicing Plan permits the Portfolio to make total payments at an annual rate of up to 0.25% of its average daily net assets attributable to its Advisor Class shares.

	Distribution Fee	Servicing Fee
Administrative Class	—	0.15%
Advisor Class	0.25%	—

(d) Portfolio Expenses PIMCO provides or procures supervisory and administrative services for shareholders and also bears the costs of various third-party services required by the Portfolio, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs. The Trust is responsible for the following expenses: (i) salaries and other compensation of any of the Trust's executive officers and employees who are not officers, directors, stockholders, or employees of PIMCO or its subsidiaries or affiliates; (ii) taxes and governmental fees; (iii) brokerage fees and commissions and other portfolio transaction expenses; (iv) the costs of borrowing money, including interest expenses; (v) fees and expenses of the Trustees who are not "interested persons" of PIMCO or the Trust, and any counsel retained exclusively for their benefit; (vi) extraordinary expenses, including costs of litigation and indemnification expenses; (vii) organizational expenses; and (viii) any expenses allocated or allocable to a specific class of shares, which include service fees payable with respect to the Administrative Class Shares, and may include certain other expenses as permitted by the Trust's Multi-Class Plan adopted pursuant to Rule 18f-3 under the Act and subject to review and approval by the Trustees. The ratio of expenses to average net assets per share class, as disclosed on the Financial Highlights, may differ from the annual portfolio operating expenses per share class.

The Trust pays no compensation directly to any Trustee or any other officer who is affiliated with the Administrator, all of whom receive remuneration for their services to the Trust from the Administrator or its affiliates.

(e) Expense Limitation Pursuant to the Expense Limitation Agreement, PIMCO has agreed, through May 1, 2022, to waive a portion of the Portfolio's Supervisory and Administrative Fee, or reimburse the Portfolio, to the extent that the Portfolio's organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata share of Trustee Fees exceed 0.0049%, the "Expense Limit" (calculated as a percentage of the Portfolio's average daily net assets attributable to each class). The Expense Limitation Agreement will automatically renew for one-year terms unless PIMCO provides written notice to the Trust at least 30 days prior to the end of the then current term. The waiver is reflected on the Statement of Operations as a component of Waiver and/or Reimbursement by PIMCO.

In any month in which the supervision and administration agreement is in effect, PIMCO is entitled to reimbursement by the Portfolio of any portion of the supervisory and administrative fee waived or reimbursed as set forth above (the "Reimbursement Amount") during the previous thirty-six months from the date of the waiver, provided that such amount paid to PIMCO will not: i) together with any organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata Trustee fees, exceed, for such month, the Expense Limit (or the amount of the expense limit in place at the time the amount being recouped was originally waived if lower than the Expense Limit); ii) exceed the total Reimbursement Amount; or iii) include any amounts previously reimbursed to PIMCO. At December 31, 2021, there were no recoverable amounts.

10. RELATED PARTY TRANSACTIONS

The Adviser, Administrator, and Distributor are related parties. Fees paid to these parties are disclosed in Note 9, Fees and Expenses, and the accrued related party fee amounts are disclosed on the Statement of Assets and Liabilities.

The Portfolio is permitted to purchase or sell securities from or to certain related affiliated portfolios under specified conditions outlined in procedures adopted by the Board. The procedures have been designed to ensure that any purchase or sale of securities by the Portfolio from or to another fund or portfolio that are, or could be, considered an affiliate, or an affiliate of an affiliate, by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 under the Act. Further, as defined under the procedures, each transaction is effected at the current market price. Purchases and sales of securities pursuant to Rule 17a-7 under the Act for the period ended December 31, 2021, were as follows (amounts in thousands†):

Purchases	Sales
$ 0	$ 6,114

† A zero balance may reflect actual amounts rounding to less than one thousand.

11. GUARANTEES AND INDEMNIFICATIONS

Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust (including the Trust's investment manager) is indemnified, to the extent permitted by the Act, against certain liabilities that may arise out of performance of their duties to the Portfolio. Additionally, in the normal course of business, the Portfolio enters into contracts that contain a variety of indemnification clauses. The Portfolio's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Portfolio that have not yet occurred. However, the Portfolio has not had prior claims or losses pursuant to these contracts.

12. PURCHASES AND SALES OF SECURITIES

The length of time the Portfolio has held a particular security is not generally a consideration in investment decisions. A change in the securities held by the Portfolio is known as "portfolio turnover." The Portfolio may engage in frequent and active trading of portfolio securities to achieve its investment objective, particularly during periods of volatile market movements. High portfolio turnover may involve correspondingly greater transaction costs, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities, which are borne by the Portfolio. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are generally taxed at ordinary income tax rates when distributed to shareholders). The transaction costs associated with portfolio turnover may adversely affect the Portfolio's performance. The portfolio turnover rates are reported in the Financial Highlights.

Purchases and sales of securities (excluding short-term investments) for the period ended December 31, 2021, were as follows (amounts in thousands†):

U.S. Government/Agency		All Other	
Purchases	Sales	Purchases	Sales
$ 4,232,557	$ 4,381,947	$ 417,278	$ 231,929

† A zero balance may reflect actual amounts rounding to less than one thousand.

13. SHARES OF BENEFICIAL INTEREST

The Trust may issue an unlimited number of shares of beneficial interest with a $0.001 par value. Changes in shares of beneficial interest were as follows (shares and amounts in thousands†):

	Year Ended 12/31/2021		Year Ended 12/31/2020	
	Shares	**Amount**	**Shares**	**Amount**
Receipts for shares sold				
Institutional Class	1,046	$ 10,847	1,833	$ 18,831
Administrative Class	19,316	199,846	37,432	385,687
Advisor Class	15,656	161,973	22,353	230,395
Issued as reinvestment of distributions				
Institutional Class	11	111	14	147
Administrative Class	547	5,649	1,199	12,339
Advisor Class	356	3,677	829	8,527
Cost of shares redeemed				
Institutional Class	(405)	(4,201)	(1,870)	(19,176)
Administrative Class	(27,985)	(289,522)	(28,429)	(291,981)
Advisor Class	(11,405)	(117,877)	(16,985)	(174,111)
Net increase (decrease) resulting from Portfolio share transactions	(2,863)	$ (29,497)	16,376	$ 170,658

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2021, two shareholders each owned 10% or more of the Portfolio's total outstanding shares comprising 40% of the Portfolio.

14. REGULATORY AND LITIGATION MATTERS

The Portfolio is not named as a defendant in any material litigation or arbitration proceedings and is not aware of any material litigation or claim pending or threatened against it.

The foregoing speaks only as of the date of this report.

15. FEDERAL INCOME TAX MATTERS

The Portfolio intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code (the "Code") and distribute all of its taxable income and net realized gains, if applicable, to shareholders. Accordingly, no provision for Federal income taxes has been made.

The Portfolio may be subject to local withholding taxes, including those imposed on realized capital gains. Any applicable foreign capital gains tax is accrued daily based upon net unrealized gains, and may be payable following the sale of any applicable investments.

In accordance with U.S. GAAP, the Adviser has reviewed the Portfolio's tax positions for all open tax years. As of December 31, 2021, the Portfolio has recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions it has taken or expects to take in future tax returns.

The Portfolio files U.S. federal, state, and local tax returns as required. The Portfolio's tax returns are subject to examination by relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Shares of the Portfolio currently are sold to segregated asset accounts ("Separate Accounts") of insurance companies that fund variable annuity contracts and variable life insurance policies ("Variable Contracts"). Please refer to the prospectus for the Separate Account and Variable Contract for information regarding Federal income tax treatment of distributions to the Separate Account.

As of December 31, 2021, the components of distributable taxable earnings are as follows (amounts in thousands†):

	Undistributed Tax Exempt Income	Undistributed Ordinary Income(1)	Undistributed Long-Term Capital Gains	Net Tax Basis Unrealized Appreciation/ (Depreciation)(2)	Other Book-to-Tax Accounting Differences(3)	Accumulated Capital Losses(4)	Qualified Late-Year Loss Deferral - Capital(5)	Qualified Late-Year Loss Deferral - Ordinary(6)	Total Components of Distributable Earnings
PIMCO Low Duration Portfolio	$ 0	$ 0	$ 0	$ (4,445)	$ 0	$ (26,486)	$ 0	$ (6,798)	$ (37,729)

† A zero balance may reflect actual amounts rounding to less than one thousand.
(1) Includes undistributed short-term capital gains, if any.
(2) Adjusted for open wash sale loss deferrals and the accelerated recognition of unrealized gain or loss on certain futures, options, and forward contracts for federal income tax purposes. Also adjusted for differences between book and tax realized and unrealized gain (loss) on swap contracts, straddle loss deferrals, and interest accrued on defaulted securities.
(3) Represents differences in income tax regulations and financial accounting principles generally accepted in the United States of America.
(4) Capital losses available to offset future net capital gains expire in varying amounts as shown below.
(5) Capital losses realized during the period November 1, 2021 through December 31, 2021 which the Portfolio elected to defer to the following taxable year pursuant to income tax regulations.
(6) Specified losses realized during the period November 1, 2021 through December 31, 2021 which the Portfolio elected to defer to the following taxable year pursuant to income tax regulations.

Under the Regulated Investment Company Modernization Act of 2010, a portfolio is permitted to carry forward any new capital losses for an unlimited period. Additionally, such capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term under previous law.

As of December 31, 2021, the Portfolio had the following post-effective capital losses with no expiration (amounts in thousands†):

	Short-Term	Long-Term
PIMCO Low Duration Portfolio	$ 15,867	$ 10,619

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of December 31, 2021, the aggregate cost and the net unrealized appreciation/(depreciation) of investments for federal income tax purposes are as follows (amounts in thousands†):

	Federal Tax Cost	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)(7)
PIMCO Low Duration Portfolio	$ 1,801,844	$ 23,085	$ (27,608)	$ (4,523)

† A zero balance may reflect actual amounts rounding to less than one thousand.
(7) Primary differences, if any, between book and tax net unrealized appreciation/(depreciation) on investments are attributable to open wash sale loss deferrals, unrealized gain or loss on certain futures, options, and forward contracts, swap contracts, straddle loss deferrals, and interest accrued on defaulted securities.

For the fiscal year ended December 31, 2021 and December 31, 2020, respectively, the Portfolio made the following tax basis distributions (amounts in thousands†):

	December 31, 2021			December 31, 2020		
	Ordinary Income Distributions(8)	Long-Term Capital Gain Distributions	Return of Capital(9)	Ordinary Income Distributions(8)	Long-Term Capital Gain Distributions	Return of Capital(9)
PIMCO Low Duration Portfolio	$ 9,437	$ 0	$ 0	$ 21,013	$ 0	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.
(8) Includes short-term capital gains distributed, if any.
(9) A portion of the distributions made represents a tax return of capital. Return of capital distributions have been reclassified from undistributed net investment income to paid-in capital to more appropriately conform financial accounting to tax accounting.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of PIMCO Variable Insurance Trust and Shareholders of PIMCO Low Duration Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of PIMCO Low Duration Portfolio (one of the portfolios constituting PIMCO Variable Insurance Trust, hereafter referred to as the "Portfolio") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Kansas City, Missouri

February 17, 2022

We have served as the auditor of one or more investment companies in PIMCO Variable Insurance Trust since 1998.

Counterparty Abbreviations:

BOA	Bank of America N.A.	**FICC**	Fixed Income Clearing Corporation	**MYI**	Morgan Stanley & Co. International PLC
BPS	BNP Paribas S.A.	**GLM**	Goldman Sachs Bank USA	**SCX**	Standard Chartered Bank, London
BSH	Banco Santander S.A. - New York Branch	**HUS**	HSBC Bank USA N.A.	**TOR**	The Toronto-Dominion Bank
CBK	Citibank N.A.	**JPM**	JP Morgan Chase Bank N.A.	**UAG**	UBS AG Stamford
DUB	Deutsche Bank AG				

Currency Abbreviations:

ARS	Argentine Peso	**GBP**	British Pound	**NOK**	Norwegian Krone
AUD	Australian Dollar	**ILS**	Israeli Shekel	**PEN**	Peruvian New Sol
BRL	Brazilian Real	**JPY**	Japanese Yen	**SGD**	Singapore Dollar
CAD	Canadian Dollar	**MXN**	Mexican Peso	**USD (or $)**	United States Dollar
EUR	Euro	**MYR**	Malaysian Ringgit		

Exchange Abbreviations:

OTC	Over the Counter

Index/Spread Abbreviations:

BBSW3M	3 Month Bank Bill Swap Rate	**CDX.IG**	Credit Derivatives Index - Investment Grade	**SOFR**	Secured Overnight Financing Rate
BP0003M	3 Month GBP-LIBOR	**EUR003M**	3 Month EUR Swap Rate	**SONIO**	Sterling Overnight Interbank Average Rate
CDOR03	3 month CDN Swap Rate	**MUTKCALM**	Tokyo Overnight Average Rate	**US0003M**	ICE 3-Month USD LIBOR

Other Abbreviations:

ABS	Asset-Backed Security	**CDI**	Brazil Interbank Deposit Rate	**LIBOR**	London Interbank Offered Rate
ALT	Alternate Loan Trust	**CLO**	Collateralized Loan Obligation	**OIS**	Overnight Index Swap
BBSW	Bank Bill Swap Reference Rate	**DAC**	Designated Activity Company	**TBA**	To-Be-Announced

Federal Income Tax Information

As required by the Internal Revenue Code (the "Code") and Treasury Regulations, if applicable, shareholders must be notified regarding the status of qualified dividend income and the dividend received deduction.

Dividend Received Deduction. Corporate shareholders are generally entitled to take the dividend received deduction on the portion of a Portfolio's dividend distribution that qualifies under tax law. The percentage of the following Portfolio's fiscal 2021 ordinary income dividend that qualifies for the corporate dividend received deduction is set forth in the table below.

Qualified Dividend Income. Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), the percentage of ordinary dividends paid during the calendar year designated as "qualified dividend income", as defined in the Act, subject to reduced tax rates in 2021 is set forth for the Portfolio in the table below.

Qualified Interest Income and Qualified Short-Term Capital Gain (for non-U.S. resident shareholders only). Under the American Jobs Creation Act of 2004, the amounts of ordinary dividends paid during the fiscal year ended December 31, 2021 considered to be derived from "qualified interest income," as defined in Section 871(k)(1)(E) of the Code, and therefore designated as interest-related dividends, as defined in Section 871(k)(1)(C) of the Code are set forth in the table below. Further, the amounts of ordinary dividends paid during the fiscal year ended December 31, 2021 considered to be derived from "qualified short-term capital gain," as defined in Section 871(k)(2)(D) of the Code, and therefore designated as qualified short-term gain dividends, as defined by Section 871(k)(2)(C) of the Code are also set forth in the table below.

Section 163(j) Interest Dividends. The Portfolio intends to pass through the maximum amount allowable as Section 163(j) Interest Dividends as defined in Proposed Treasury Regulation § 1.163(j)-1(b). The 163(j) percentage of ordinary income distributions as follows:

	Dividend Received Deduction %	Qualified Dividend Income %	Qualified Interest Income (000s†)	Qualified Short-Term Capital Gain (000s†)	163(j) Interest Dividends
PIMCO Low Duration Portfolio	0.00%	0.00%	$ 9,437	$ 0	0.00%

† A zero balance may reflect actual amounts rounding to less than one thousand.

Shareholders are advised to consult their own tax advisor with respect to the tax consequences of their investment in the Trust. In January 2022, you will be advised on IRS Form 1099-DIV as to the federal tax status of the dividends and distributions received by you in calendar year 2021.

The charts below identify the Trustees and executive officers of the Trust. Unless otherwise indicated, the address of all persons below is 650 Newport Center Drive, Newport Beach, CA 92660.

The Portfolio's Statement of Additional Information includes more information about the Trustees and Officers. To request a free copy, call PIMCO at (888) 87-PIMCO or visit the Portfolio's website at www.pimco.com/pvit.

Name, Year of Birth and Position Held with Trust*	Term of Office and Length of Time Served†	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Public Company and Investment Company Directorships Held by Trustee During the Past 5 Years
Interested Trustees[1]				
Peter G. Strelow (1970) *Chairman of the Board and Trustee*	05/2017 to present Chairman of the Board - 02/2019 to present	Managing Director and Co-Chief Operating Officer, PIMCO. Senior Vice President of the Trust, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Chief Administrative Officer, PIMCO.	149	Chairman and Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT.
Kimberley G. Stafford (1978) *Trustee*	02/2021 to present	Managing Director, Global Head of Product Strategy, PIMCO; and Member of Executive Committee, PIMCO. Formerly, Head of Asia-Pacific, Global Head of Consultant Relations and Head of US Institutional and Alternatives Sales, PIMCO.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT.
Independent Trustees				
George E. Borst (1948) *Trustee*	04/2015 to present	Executive Advisor, McKinsey & Company (since 10/14); Formerly, Executive Advisor, Toyota Financial Services (10/13-12/14); and CEO, Toyota Financial Services (1/01-9/13).	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, MarineMax Inc.
Jennifer Holden Dunbar (1963) *Trustee*	04/2015 to present	Managing Director, Dunbar Partners, LLC (business consulting and investments). Formerly, Partner, Leonard Green & Partners, L.P.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, PS Business Parks; Director, Big 5 Sporting Goods Corporation.
Kym M. Hubbard (1957) *Trustee*	02/2017 to present	Formerly, Global Head of Investments, Chief Investment Officer and Treasurer, Ernst & Young.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT; Director, State Auto Financial Corporation.
Gary F. Kennedy (1955) *Trustee*	04/2015 to present	Formerly, Senior Vice President, General Counsel and Chief Compliance Officer, American Airlines and AMR Corporation (now American Airlines Group) (1/03-1/14).	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.
Peter B. McCarthy (1950) *Trustee*	04/2015 to present	Formerly, Assistant Secretary and Chief Financial Officer, United States Department of Treasury; Deputy Managing Director, Institute of International Finance.	149	Trustee, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.
Ronald C. Parker (1951) *Lead Independent Trustee*	07/2009 to present Lead Independent Trustee - 02/2017 to present	Director of Roseburg Forest Products Company. Formerly, Chairman of the Board, The Ford Family Foundation; and President, Chief Executive Officer, Hampton Affiliates (forestry products).	149	Lead Independent Trustee, PIMCO Funds and PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2022.

[1] Ms. Stafford and Mr. Strelow are "interested persons" of the Trust (as that term is defined in the 1940 Act) because of their affiliations with PIMCO.

† Trustees serve until their successors are duly elected and qualified.

Executive Officers

Name, Year of Birth and Position Held with Trust*	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years†
Eric D. Johnson (1970) *President*	06/2019 to present	Executive Vice President and Head of Funds Business Group Americas, PIMCO. President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Ryan G. Leshaw (1980) *Chief Legal Officer and Secretary*	08/2021 to present	Executive Vice President and Senior Counsel, PIMCO. Chief Legal Officer and Secretary, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Chief Legal Officer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Associate, Willkie Farr & Gallagher LLP.
Keisha Audain-Pressley (1975)** *Chief Compliance Officer*	01/2020 to present	Executive Vice President and Deputy Chief Compliance Officer, PIMCO. Chief Compliance Officer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Joshua D. Ratner (1976)** *Senior Vice President*	05/2019 to present	Executive Vice President and Head of Americas Operations, PIMCO. Senior Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Peter G. Strelow (1970) *Senior Vice President*	06/2019 to present	Managing Director and Co-Chief Operating Officer, PIMCO. Senior Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Chief Administrative Officer, PIMCO.
Wu-Kwan Kit (1981) *Assistant Secretary*	08/2017 to present	Senior Vice President and Senior Counsel, PIMCO. Assistant Secretary, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Vice President, Senior Counsel and Secretary, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds. Formerly, Assistant General Counsel, VanEck Associates Corp.
Jeffrey A. Byer (1976) *Vice President*	02/2020 to present	Executive Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Elizabeth A. Duggan (1964) *Vice President*	02/2021 to present	Executive Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Mark A. Jelic (1981) *Vice President*	08/2021 to present	Senior Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Brian J. Pittluck (1977) *Vice President*	01/2020 to present	Senior Vice President, PIMCO. Vice President, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Bijal Y. Parikh (1978) *Treasurer*	01/2021 to present	Executive Vice President, PIMCO. Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Jason J. Nagler (1982)*** *Deputy Treasurer*	11/2021 to present	Senior Vice President, PIMCO. Deputy Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Assistant Treasurer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Erik C. Brown (1967)*** *Assistant Treasurer*	02/2001 to present	Executive Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Brandon T. Evans (1982) *Assistant Treasurer*	05/2019 to present	Senior Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.
Colleen D. Miller (1980)** *Assistant Treasurer*	02/2017 to present	Senior Vice President, PIMCO. Assistant Treasurer, PIMCO Funds, PIMCO ETF Trust, PIMCO Equity Series and PIMCO Equity Series VIT. Deputy Treasurer, PIMCO Managed Accounts Trust, PIMCO-Sponsored Interval Funds and PIMCO-Sponsored Closed-End Funds.

* Unless otherwise noted, the information for the individuals listed is as of January 1, 2022.

† The term "PIMCO-Sponsored Closed-End Funds" as used herein includes: PIMCO California Municipal Income Fund, PIMCO California Municipal Income Fund II, PIMCO California Municipal Income Fund III, PIMCO Municipal Income Fund, PIMCO Municipal Income Fund II, PIMCO Municipal Income Fund III, PIMCO New York Municipal Income Fund, PIMCO New York Municipal Income Fund II, PIMCO New York Municipal Income Fund III, PCM Fund Inc., PIMCO Access Income Fund, PIMCO Corporate & Income Opportunity Fund, PIMCO Corporate & Income Strategy Fund, PIMCO Dynamic Credit and Mortgage Income Fund, PIMCO Dynamic Income Fund, PIMCO Dynamic Income Opportunities Fund, PIMCO Energy and Tactical Credit Opportunities Fund, PIMCO Global StocksPLUS® & Income Fund, PIMCO High Income Fund, PIMCO Income Opportunity Fund, PIMCO Income Strategy Fund, PIMCO Income Strategy Fund II and PIMCO Strategic Income Fund, Inc.; the term "PIMCO-Sponsored Interval Funds" as used herein includes: PIMCO Flexible Credit Income Fund, PIMCO Flexible Municipal Income Fund and PIMCO Flexible Emerging Markets Income Fund.

** The address of these officers is Pacific Investment Management Company LLC, 1633 Broadway, New York, New York 10019.

*** The address of these officers is Pacific Investment Management Company LLC, 401 Congress Ave., Austin, Texas 78701.

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").

At a meeting held on August 24-25, 2021, the Board of Trustees (the "Board") of PIMCO Variable Insurance Trust (the "Trust"), including the Trustees who are not "interested persons" of the Trust under the Investment Company Act of 1940, as amended (the "Independent Trustees"), considered and unanimously approved the renewal of the Amended and Restated Investment Advisory Contract (the "Investment Advisory Contract") between the Trust, on behalf of the Trust's series (each a "Portfolio" and collectively, the "Portfolios"), and Pacific Investment Management Company LLC ("PIMCO"), for an additional one-year term through August 31, 2022. The Board also considered and unanimously approved the renewal of the Amended and Restated Supervision and Administration Agreement (the "Supervision and Administration Agreement") between the Trust, on behalf of the Portfolios, and PIMCO for an additional one-year term through August 31, 2022. In addition, the Board considered and unanimously approved the renewal of the Amended and Restated Asset Allocation Sub-Advisory Agreement (the "Asset Allocation Agreement" and, together with the Investment Advisory Contract and the Supervision and Administration Agreement, the "Agreements") between PIMCO, on behalf of PIMCO All Asset Portfolio, a series of the Trust, and Research Affiliates, LLC ("Research Affiliates") for an additional one-year term through August 31, 2022.

In addition, the Board considered and unanimously approved the renewal of the Investment Management Agreements between PIMCO and each of the wholly-owned subsidiaries (each, a "Subsidiary" and, collectively, the "Subsidiaries") of certain of the Portfolios (collectively, the "Subsidiary Agreements"), each for the same additional one-year term through August 31, 2022.

The information, material factors and conclusions that formed the basis for the Board's approvals are summarized below.

1. INFORMATION RECEIVED

(a) Materials Reviewed: During the course of the past year, the Trustees received a wide variety of materials relating to the services provided by PIMCO and Research Affiliates to the Trust. At each of its quarterly meetings, the Board reviewed the Portfolios' investment performance and a significant amount of information relating to Portfolio operations, including shareholder services, valuation and custody, the Portfolios' compliance program and other information relating to the nature, extent and quality of services provided by PIMCO and Research Affiliates to the Trust and each of the Portfolios, as applicable. In considering whether to approve the renewal of the Agreements and the Subsidiary Agreements, the Board reviewed additional information, including, but not limited to: comparative industry data with regard to investment performance; advisory and supervisory and administrative fees and expenses; financial information for PIMCO and, where relevant, financial information for Research Affiliates; information regarding the profitability to PIMCO of its relationship with the Portfolios; information about the personnel providing investment management services, other advisory services and supervisory and administrative services to the Portfolios; and information about the fees charged and services provided to other clients with similar investment mandates as the Portfolios, where applicable. In addition, the Board reviewed materials provided by counsel to the Trust and the Independent Trustees ("Counsel"), which included, among other things, a memorandum outlining legal duties of the Board in considering the renewal of the Agreements and Subsidiary Agreements.

With respect to the Subsidiary Agreements, the Trustees considered that each Portfolio that has a Subsidiary may utilize its Subsidiary to execute its investment strategy and that PIMCO provides investment advisory and administrative services to the Subsidiaries pursuant to the Subsidiary Agreements in the same manner as it does for such Portfolios that have Subsidiaries under the Investment Advisory Contract and Supervision and Administration Agreement. The Trustees also considered that, with respect to each Subsidiary, PIMCO does not retain a separate advisory or other fee from the Subsidiary, and that PIMCO's profitability with respect to each Portfolio that has a Subsidiary is not positively impacted as a result of the Subsidiary Agreements. The Trustees determined, therefore, that it was appropriate to consider the approval of the Subsidiary Agreements collectively with their consideration of the Agreements.

(b) Review Process: In connection with considering the renewal of the Agreements, the Board reviewed written materials prepared by PIMCO and, where applicable, Research Affiliates in response to requests from Counsel encompassing a wide variety of topics. The Board requested and received assistance and advice regarding, among other things, applicable legal standards from Counsel, and reviewed comparative fee and performance data prepared at the Board's request by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company performance information and fee and expense data. The Board received presentations on matters related to the Agreements and met both as a full Board and in a separate session of the Independent Trustees, without management present, at the August 24-25, 2021 meeting. The Independent Trustees also met via video conference with Counsel on July 15, 2021 and August 3, 2021, and conducted a video conference meeting on August 6, 2021 with management and Counsel to discuss the materials presented and other matters deemed relevant to their consideration of the renewal of the Agreements. In connection with its review of the Agreements, the Board received comparative information on the performance, the risk-adjusted performance and the fees and expenses of other peer group funds and share classes. The Independent Trustees also requested and received supplemental information, including information regarding Broadridge peer classifications, Portfolio performance and profitability.

The approval determinations were made on the basis of each Trustee's business judgment after consideration and evaluation of all the information presented. Individual Trustees may have given different weights to certain factors and assigned various degrees of materiality to information received in connection with the approval process. In deciding to approve the renewal of the Agreements, the Board did not identify any single factor or particular information that, in isolation, was controlling. The discussion below is intended to summarize the broad factors and information that figured prominently in the Board's consideration of the renewal of the Agreements, but is not intended to summarize all of the factors considered by the Board.

2. NATURE, EXTENT AND QUALITY OF SERVICES

(a) PIMCO, Research Affiliates, their Personnel and Resources: The Board considered the depth and quality of PIMCO's investment management process, including, but not limited to: the experience, capability and integrity of its senior management and other personnel; the overall financial strength and stability of its organization; and the ability of its organizational structure to address changes in the Portfolios' asset levels. The Board also considered the various services in addition to portfolio management that PIMCO provides under the Investment Advisory Contract. The Board noted that PIMCO makes available to its investment professionals a variety of resources and systems relating to investment management, compliance, trading, performance and portfolio accounting. The Board also noted PIMCO's commitment to enhancing and investing in its global infrastructure, technology capabilities, risk management processes and the specialized talent needed to stay at the forefront of the competitive investment management industry and to strengthen its ability to deliver services under the Agreements. The Board considered PIMCO's policies, procedures and systems reasonably designed to assure compliance with applicable laws and regulations, including new regulations impacting the Portfolios, and its commitment to further developing and strengthening these programs; its oversight of matters that may involve conflicts of interest between the Portfolios' investments and those of other accounts managed by PIMCO; and its efforts to keep the Trustees informed about matters relevant to the Portfolios and their shareholders. The Board also considered PIMCO's investment in new disciplines and talented personnel, which has enhanced PIMCO's services to the Portfolios and has allowed PIMCO to introduce innovative new portfolios over time. In addition, the Board considered the nature, extent and quality of services provided by PIMCO to the Subsidiaries of certain applicable Portfolios.

In addition, the Trustees considered new services and service enhancements that PIMCO has implemented, including, but not limited to investing in its cybersecurity program and business continuity functions, including completion of the build-out of a new data center; funding projects and initiatives in support of the Portfolios; investing in trading and technology infrastructure; oversight by the Americas Fund Oversight Committee, which provides senior-level oversight and supervision focused on new and ongoing fund-related business opportunities; expanding engagement with a third party service provider to provide certain additional fund administration services subject to PIMCO's oversight; investing in the Fund Treasurer's Office; development of a global tax management application that enables investment professionals to access foreign market and security tax information on a real-time basis; enhancing PIMCO's oversight over certain of the Portfolios' service providers, including with respect to a service provider's review of certain financial reporting procedures and the use of proprietary software and managed service model to timely meet N-PORT and N-CEN regulatory requirements; upgrading a proprietary application to improve user interface efficiency and experience; implementing a contingent NAV process; advocating in the public policy arena; developing a proprietary tool to monitor and facilitate potential interfund lending; launching an internal process to seek to automate a number of operational processes; and developing technology solutions to leverage artificial intelligence and machine learning. Similarly, the Board considered the asset allocation services provided by Research Affiliates to the PIMCO All Asset Portfolio. The Board further considered PIMCO's oversight of Research Affiliates in connection with Research Affiliates providing asset allocation services to the All Asset Portfolio. The Board also considered the depth and quality of Research Affiliates' investment management and research capabilities, the experience and capabilities of its portfolio management personnel and the overall financial strength of the organization.

Ultimately, the Board concluded that the nature, extent and quality of services provided or procured by PIMCO under the Agreements and the Subsidiary Agreements and provided by Research Affiliates under the Asset Allocation Agreement are likely to continue to benefit the Portfolios and their shareholders, as applicable.

(b) Other Services: The Board also considered the nature, extent and quality of supervisory and administrative services provided by PIMCO to the Portfolios under the Supervision and Administration Agreement.

The Board considered the terms of the Supervision and Administration Agreement, under which the Trust pays for the supervisory and administrative services provided pursuant to that agreement under what is essentially an all-in fee structure (the "unified fee"). In return, PIMCO provides or procures certain supervisory and administrative services and bears the costs of various third party services required by the Portfolios, including, but not limited to, audit, custodial, portfolio accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board also noted that the scope and complexity, as well as the costs, of the supervisory and administrative services provided by PIMCO under the Supervision and Administration Agreement continue to increase. The Board considered PIMCO's provision of supervisory and administrative services and its supervision of the Trust's third party service providers to assure that these service providers continue to provide a high level of service relative to alternatives available in the market.

Ultimately, the Board concluded that the nature, extent and quality of the services provided or procured by PIMCO has benefited, and will likely continue to benefit, the Portfolios and their shareholders.

3. INVESTMENT PERFORMANCE

The Board reviewed information from PIMCO concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2021 and other performance data, as available, over short- and long-term periods ended June 30, 2021 (the "PIMCO Report") and from Broadridge concerning the Portfolios' performance, as available, over short- and long-term periods ended March 31, 2021 (the "Broadridge Report").

The Board considered information regarding both the short- and long-term relative and absolute investment performance of each Portfolio relative to its peer group, where appropriate, and relevant benchmark index as provided to the Board in advance of each of its quarterly meetings throughout the year, including the PIMCO Report and Broadridge Report. The Trustees reviewed information indicating that classes of each Portfolio would have substantially similar performance to that of the Administrative Class of the relevant Portfolio on a relative basis because all of the classes are invested in the same portfolio of investments and that differences in performance among classes could principally be attributed to differences in the supervisory and administrative fees and distribution and servicing expenses of each class. The Board noted that, due to differences (such as specific investment strategies or fee structures) between certain of the Portfolios and their so-called peers in the Broadridge categories, performance comparisons may not be particularly relevant to the consideration of Portfolio performance, but found the comparative information supported its overall evaluation.

The Board noted that a majority of the Portfolios have outperformed their respective benchmark indexes over the one-, three- and five-year periods ended March 31, 2021, and that a majority of the Portfolios have outperformed their benchmarks since inception for the period ended March 31, 2021. With respect to Portfolios that underperformed to a certain degree over such periods, the Board discussed with PIMCO the reasons for the underperformance of such Portfolios. The Board also considered actions that have been taken by PIMCO throughout the year to attempt to address underperformance.

The Board ultimately concluded, within the context of all of its considerations in connection with the Agreements and the Subsidiary Agreements, that PIMCO's performance record and process in managing the Portfolios indicates that its continued management is likely to benefit the Portfolios and their shareholders, and merits the approval of the renewal of the Agreements and the Subsidiary Agreements.

4. ADVISORY FEES, SUPERVISORY AND ADMINISTRATIVE FEES AND TOTAL EXPENSES

The Board considered that PIMCO seeks to price new funds to scale at the outset . The Board noted that PIMCO generally seeks to price new funds competitively against the median total expense ratio of the respective Broadridge peer group, if available, while acknowledging that a fee premium may be appropriate for innovative investment offerings. PIMCO reported to the Board that, in proposing fees for any Portfolio or class of shares, it considers a number of factors, including, but not limited to, the type and complexity of the services provided, the cost of providing services, the risk assumed by PIMCO in the development of products and the provision of services and the competitive marketplace for financial products.

The Board reviewed the advisory fees, supervisory and administrative fees and total expenses of the Portfolios (each as a percentage of average net assets) and compared such amounts with the average and median fee and expense levels of other similar funds. The Board also reviewed information relating to the sub-advisory fees paid to Research Affiliates with respect to applicable Portfolios, taking into account that PIMCO compensates Research Affiliates from the advisory fees paid by such Portfolios to PIMCO. With respect to advisory fees, the Board reviewed data from the Broadridge Report that compared the average and median advisory fees of other funds in a "Peer Group" of comparable funds, where appropriate, as well as the universe of other similar funds. The Board reviewed materials, where appropriate, indicating that a number of Portfolios have total expense ratios that fall below the average and median expense ratios in their Peer Group and Broadridge universe. In addition, the Board considered the expense limitation agreement in place for all of the Portfolios and fee waivers in place for certain of the Portfolios and also noted the fee waivers in place with respect to the advisory fee and supervisory and administrative fee that might result from investments by applicable Portfolios in their respective Subsidiaries. The Board also considered that PIMCO reviews the Portfolios' fee levels and carefully considers changes where appropriate.

The Board also reviewed data comparing the Portfolios' advisory fees to the fee rates PIMCO charged to registered funds (open-end and closed-end), private funds, and non-U.S. registered funds, separate accounts, sub-advised clients and collective investment trusts with similar investment strategies. In cases where the fees for other clients were lower than those charged to the Portfolios, the Trustees noted that the differences in fees were attributable to various factors, including, but not limited to, differences in the advisory and other services provided by PIMCO to the Portfolios, differences in the number or extent of the services provided by PIMCO to the Portfolios, the manner in which similar portfolios may be managed, different requirements with respect to liquidity management and the implementation of other regulatory requirements, and the fact that separate accounts may have other contractual arrangements or arrangements across PIMCO strategies that justify different levels of fees. The Board considered that, with respect to collective investment trusts, PIMCO performs fewer or less extensive services because collective investment trusts are generally exempt from SEC regulation; investors in a collective investment trust may receive shareholder services from a trustee bank, rather than PIMCO; collective investment trusts have less regulatory disclosure; and the management structure of collective investment trusts differs from that of funds. The Trustees also considered that PIMCO faces increased entrepreneurial, legal and regulatory risk in sponsoring and managing mutual funds and ETFs as compared to separate accounts, external sub-advised funds or other investment products. In addition, the Trustees considered that PIMCO may charge certain private funds with similar investment mandates lower fees than the Portfolios because such private funds are not required to accept daily redemptions or price their assets on a daily basis, generally do not accept small investors with small account balances and operate under a less complex regulatory regime.

Regarding advisory fees charged by PIMCO in its capacity as sub-adviser to third party/unaffiliated funds, the Trustees took into account that such fees may be lower than the fees charged by PIMCO to serve as adviser to the Portfolios. The Trustees also took into account that there are various reasons for any such differences in fees, including, but not limited to, the fact that PIMCO may be subject to varying levels of entrepreneurial, legal and regulatory risk and different servicing requirements when PIMCO does not serve as the sponsor of a fund and is not principally responsible for all aspects of a fund's investment program and operations as compared to when PIMCO serves as investment adviser and sponsor.

The Board considered the Portfolios' supervisory and administrative fees, comparing them to similar funds managed by other investment advisers in the Broadridge Report. The Board also considered that, as the Portfolios' business has become increasingly complex and the number of Portfolios has grown over time, PIMCO has provided an increasingly broad array of fund supervisory and administrative functions. In addition, the Board considered the Trust's unified fee structure, under which the Trust pays for the supervisory and administrative services it requires for one set fee. In return for this unified fee, PIMCO provides or procures supervisory and administrative services and bears the costs of various third party services required by the Portfolios, including audit, custodial, portfolio accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board further considered that many other funds pay for comparable services separately, and thus it is difficult to directly compare the Trust's unified supervisory and administrative fees with the fees paid by other funds for administrative services alone. The Board also considered that the unified supervisory and administrative fee leads to Portfolio fees that are fixed over the contract period, rather than variable. The Board noted that, although the unified fee structure does not have breakpoints, it inherently reflects certain economies of scale by fixing the absolute level of Portfolio fees at competitive levels over the contract period even if the Portfolios' operating costs rise when assets remain flat or decrease. Other factors the Board considered in assessing the unified fee include PIMCO's approach of pricing Portfolios at scale at inception and reinvesting in other important areas of the business that support the Portfolios. The Board considered historical advisory and supervisory and administrative fee reductions implemented for different Portfolios and classes, noting that the unified fee can be increased or decreased in subsequent contractual periods with Board approval and is subject to the periodic reviews discussed above. The Board noted that, with few exceptions, PIMCO has generally maintained Portfolio fees at the same level as implemented when the unified fee was adopted, and has reduced fees for a number of Portfolios in prior years. The Board concluded that the Portfolios' supervisory and administrative fees were reasonable in relation to the value of the services provided, including the services provided to different classes of shareholders, and that the expenses assumed contractually by PIMCO under the Supervision and Administration Agreement represent, in effect, a cap on overall Portfolio fees during the contractual period, which is beneficial to the Portfolios and their shareholders.

The Board considered the Portfolios' total expenses and discussed with PIMCO certain Portfolios and/or classes of Portfolios that had above median total expenses. Upon comparing the Portfolios' total expenses to other funds in the "Peer Groups" provided by the Broadridge Report, where appropriate, the Board found total expenses of each Portfolio to be reasonable.

The Trustees also considered the advisory fees charged to the Portfolios that operate as funds of funds (the "Funds of Funds") and the advisory services provided in exchange for such fees. The Trustees determined that such services were in addition to the advisory services provided to the underlying funds in which the Funds of Funds may invest and, therefore, such services were not duplicative of the advisory services provided to the underlying funds. The Board also considered the various fee waiver agreements in place for the Funds of Funds. The Board noted that PIMCO is continuing waivers for these Funds of Funds, as well as for certain other Portfolios of the Trust.

Based on the information presented by PIMCO and Research Affiliates, members of the Board determined, in the exercise of their business judgment, that the level of the advisory fees and supervisory and administrative fees charged by PIMCO under the Agreements and the Subsidiary Agreements, that the fees charged by Research Affiliates under the Asset Allocation Agreement, and that the total expenses of each Portfolio, are reasonable.

5. ADVISER COSTS, LEVEL OF PROFITS AND ECONOMIES OF SCALE

The Board reviewed information regarding PIMCO's costs of providing services to, as well as the resulting level of profits from, the Portfolios. To the extent applicable, the Board also reviewed information regarding the portion of a Portfolio's advisory fee retained by PIMCO, following the payment of sub-advisory fees to Research Affiliates, with respect to the Portfolios. Additionally, the Board discussed PIMCO's pre- and post-distribution profit margin ranges with respect to the Portfolios, as compared to the prior year. The Board also noted that it had received information regarding the structure and manner in which PIMCO's investment professionals were compensated, and PIMCO's view of the relationship of such compensation to the attraction and retention of quality personnel. The Board considered PIMCO's investment in global infrastructure, technology capabilities, risk management processes and qualified personnel to reinforce and offer new services and to accommodate changing regulatory requirements.

The Board considered the existence of any economies of scale and noted that, to the extent that PIMCO achieves economies of scale in managing the Portfolios, PIMCO shares the benefits of economies of scale, if any, with the Portfolios and their shareholders in a number of ways, including investing in portfolio and trade operations management, firm technology, middle and back office support, legal and compliance, and fund administration logistics; senior management supervision, governance and oversight of those services; and through fee reductions or waivers, the pricing of Portfolios to scale from inception and the enhancement of services provided to the Portfolios in return for fees paid. The Board reviewed the history of the Portfolios' fee structure. The Board considered that the Portfolios' unified fee rates had been set competitively and/or priced to scale from inception, had been held steady during the contractual period at that scaled competitive rate for most Portfolios as assets grew, or as assets declined in the case of some Portfolios, and continued to be competitive compared with peers. The Board also considered that the unified fee is a transparent means of informing a Portfolio's shareholders of the fees associated with the Portfolio, and that the Portfolio bears certain expenses that are not covered by the advisory fee or the unified fee. The Board further considered the challenges that arise when managing large funds, which can result in certain "diseconomies" of scale and noted that PIMCO has continued to reinvest in many areas of the business to support the Portfolios.

The Trustees considered that the unified fee has provided inherent economies of scale because a Portfolio maintains competitive fixed fees over the annual contract period even if the particular Portfolio's assets decline and/or operating costs rise. The Trustees further considered that, in contrast, breakpoints may be a proxy for charging higher fees on lower asset levels and that when a fund's assets decline, breakpoints may reverse, which causes expense ratios to increase. The Trustees also considered that, unlike the Portfolios' unified fee structure, funds with "pass through" administrative fee structures may experience increased expense ratios when fixed dollar fees are charged against declining fund assets. In addition, the Trustees considered that the unified fee protects shareholders from a rise in operating costs that may result from, among other things, PIMCO's investments in various business enhancements and infrastructure, including those referenced above. The Trustees noted that PIMCO's investments in these areas are extensive.

The Board concluded that the Portfolios' cost structures were reasonable and that PIMCO is appropriately sharing economies of scale, if any, through the Portfolios' unified fee structure, generally pricing Portfolios to scale at inception and reinvesting in its business to provide enhanced and expanded services to the Portfolios and their shareholders.

6. ANCILLARY BENEFITS

The Board considered other benefits realized by PIMCO and its affiliates as a result of PIMCO's relationship with the Trust. Such benefits may include possible ancillary benefits to PIMCO's institutional investment management business due to the reputation and market penetration of the Trust or third party service providers' relationship-level fee concessions, which decrease fees paid by PIMCO. The Board also considered that affiliates of PIMCO provide distribution and/or shareholder services to the Portfolios and their shareholders, for which they may be compensated through distribution and servicing fees paid pursuant to the Portfolios' Rule 12b-1 plans or otherwise. The Board noted that, while PIMCO has the authority to receive the benefit of research provided by broker-dealers executing portfolio transactions on behalf of the Portfolios, it has adopted a policy not to enter into contractual soft dollar arrangements.

7. CONCLUSIONS

Based on their review, including their comprehensive consideration and evaluation of each of the broad factors and information summarized above, the Independent Trustees and the Board as a whole concluded that the nature, extent and quality of the services rendered to the Portfolios by PIMCO and Research Affiliates supported the renewal of the Agreements and the Subsidiary Agreements. The Independent Trustees and the Board as a whole concluded that the Agreements and the Subsidiary Agreements continued to be fair and reasonable to the Portfolios and their shareholders, that the Portfolios' shareholders received reasonable value in return for the fees paid to PIMCO by the Portfolios under the Investment Advisory Contract, Supervision and Administration Agreement and the Subsidiary Agreements and the fees paid to Research Affiliates by PIMCO under the Asset Allocation Agreement, and that the renewal of the Agreements and the Subsidiary Agreements was in the best interests of the Portfolios and their shareholders.

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This report is submitted for the general information of the shareholders of the Portfolio listed on the Report cover.

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