



The Patriot

Sentry Variable Account II

Annual Report December 31, 2020

A flexible premium deferred variable annuity funded by T. Rowe Price Fixed Income Series, Inc., T. Rowe Price Equity Series, Inc., T. Rowe Price International Series, Inc., Janus Aspen Series, and Vanguard Variable Insurance Fund

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Janus Henderson VIT Balanced Portfolio

Janus Aspen Series

HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings

Janus Henderson
———— INVESTORS ————

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Janus Henderson VIT Balanced Portfolio

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Janus Henderson VIT Balanced Portfolio (unaudited)

PORTFOLIO SNAPSHOT

The Portfolio's dynamic asset allocation strategy has the flexibility to defensively position ahead of market volatility while seeking strong risk-adjusted returns. Unlike many competitor products, where asset allocations are constrained by static targets, the Portfolio's asset allocations may vary between 35% to 65% equities depending on market conditions.



PERFORMANCE OVERVIEW

Janus Henderson VIT Balanced Portfolio's Institutional Shares and Service Shares returned 14.31% and 14.03%, respectively, for the 12-month period ended December 31, 2020, compared with 14.20% for the Balanced Index, an internally calculated benchmark that combines the total returns from the S&P 500® Index (55%) and the Bloomberg Barclays U.S. Aggregate Bond Index (45%). The S&P 500 Index returned 18.40% and the Bloomberg Barclays U.S. Aggregate Bond Index returned 7.51%.

INVESTMENT ENVIRONMENT

Market participants faced a benign backdrop at the start of the period, with a relatively strong U.S. economy, low interest rate environment and progress in U.S.-China trade relations. However, in March, the exogenous shock of the COVID-19 coronavirus ushered in a period of severe economic uncertainty. Swift and aggressive central bank and government stimulus measures were put in place to combat economic shutdowns. The stimulus, coupled with faster-than-expected progress in COVID-19 vaccine developments, contributed to an improving economic outlook and helped equity markets recover at a brisk pace. U.S. stocks finished the year with strong gains, but within the S&P 500 Index, performance across sectors varied significantly. Information technology, consumer discretionary and communication services stocks led the index higher. Energy stocks ended the year with sharp losses as they struggled to recover after the price of crude oil futures went negative intra-period. Real estate and financials also generated negative returns.

The bond market ultimately fared well despite a dramatic intra-period sell-off in credit sectors during the COVID-19 correction. Both investment-grade and high-yield bonds finished the period with positive returns, with investment-grade corporates outperforming high yield. Securitized credit generated strong risk-adjusted returns. Rates fell across the yield curve as the Federal Reserve (Fed) cut

policy rates to zero and executed large-scale purchases of U.S. Treasuries. The yield on the 10-year Treasury note ended December at 0.92%, down from 1.92% one year ago.

PERFORMANCE DISCUSSION

The Portfolio's ability to dynamically adjust its allocation with changing market conditions proved beneficial over the period; we reduced equity and credit exposures as risks increased early in the year and then pivoted to a more optimistic stance as stimulus measures were announced and the economic outlook began to improve. The equity allocation dipped as low as 48% in March but ended the period at approximately 63%.

The equity sleeve performed in line with the S&P 500 Index. Sector positioning contributed to relative results. This included a material underweight to energy – the worst-performing benchmark sector – and an overweight to the strong-performing information technology sector.

The pandemic has accelerated the digital transformation of the global economy, and companies at the forefront of that shift saw outsized benefits during the year. Our position in semiconductor company Lam Research was the largest individual contributor to relative performance. Microsoft and Adobe were also strong performers as many companies pivoted to work-from-home environments and demand for their respective products remained robust.

Holdings in the consumer discretionary, industrials and materials sectors weighed on results. Early in the period, we closed positions in our largest equity detractors for the year: Boeing, LyondellBasell and Norwegian Cruise Line, all of which regained some ground as the period progressed.

Aircraft manufacturing company Boeing was the largest equity detractor. The company's 737 MAX aircraft remained grounded and we became concerned with the level of debt the company had accumulated. Our belief

Janus Henderson VIT Balanced Portfolio (unaudited)

that the global travel and leisure industries will experience long-term reverberations stemming from the COVID-19 crisis also influenced our decision and prompted us to close our position in Norwegian. In terms of chemical producer LyondellBasell, we grew concerned with the company's ties to oil prices via ethylene – a primary product line – and exited the position.

The fixed income sleeve outperformed the Bloomberg Barclays U.S. Aggregate Bond Index. As the spread of COVID-19 gathered momentum, but before the bulk of the markets' collapse, we had sought to preserve capital and increase liquidity by lowering our credit allocations and increasing interest rate duration. Coming out of the COVID-19 correction, we began adding back to our credit exposure by purchasing bonds of higher-quality companies that we thought would be better positioned in the event of an extended downturn. As the Fed's level of commitment to supporting credit markets solidified and the health care industry began aggressive efforts to combat the virus, we became increasingly comfortable adding additional risk, but remained focused on issuers that we felt could navigate sustained economic uncertainty.

Later in the period, continued support from the Fed and the potential for additional fiscal stimulus, coupled with the likelihood that vaccine developments would advance the pace of reopening the U.S. economy in 2021, led us to rotate some of our investment-grade bond exposure to the higher-rated segments of the high-yield corporate market, which had underperformed investment grade earlier in the period. We also established an allocation to Treasury Inflation-Protected Securities (TIPS); while not concerned with an outsized jump in inflation, we do believe the risk of inflation is now skewed to the upside. Many of these positioning shifts were funded by moving further underweight in agency mortgage-backed securities (MBS), which in our view had lower return opportunities relative to other credit markets.

At period end, the fixed income sleeve remained materially overweight corporate and securitized credit including approximately 15% in high-yield corporate bonds, while maintaining an underweight to both Treasuries and MBS. Both our asset allocation decisions and security selection were positive contributors to relative outperformance during the year. No asset class materially detracted from relative performance, although the sleeve's positioning in certain cyclical sectors such as independent energy weighed on results.

OUTLOOK

We are pleased to see that the effectiveness of the COVID-19 vaccine has generally exceeded expectations, and we are optimistic that 2021 will bode well for risk assets, particularly equities, as evidenced by our overweight to the asset class. The economic recovery is in its early stages, and we expect economic growth, corporate earnings growth and employment data to continue to improve in 2021. Consumer and corporate balance sheets generally remain healthy, and although widespread vaccine distribution will take time to achieve, we expect pent-up demand to drive strong spending from consumers, and likely companies, during the latter half of 2021.

The Fed's commitment to an ultra-accommodative policy paints a positive backdrop for equities. Further, with the U.S. elections mostly behind us, company management teams are gaining clarity in terms of the political and regulatory landscape and are beginning to resume share repurchase programs, which should offer another level of price support to stocks. We are also optimistic that constructive geopolitical trade negotiations could provide companies with the confidence to increase capital spending. In the equity sleeve, we remain focused on high-quality growth companies with strong balance sheets and attractive opportunities for future capital deployment. The sleeve remains positioned with considerable exposure to secular trends that continue to gain momentum, including cloud services, Software as a Service and health care innovation.

In the fixed income sleeve, we maintain a positive outlook for credit markets. With government bond yields near historic lows across the developed world, we expect areas that still offer yield to remain in demand. But it is important to acknowledge the relatively less attractive valuations across U.S. Treasuries at year-end and that much of the recovery is already priced into the highest-quality corporate bonds. In our view, it is the more credit sensitive parts of the market, including the lowest tier of investment grade as well as high yield, that still provide opportunities for active managers to identify attractive risk-adjusted securities. We expect front-end Treasury yields to remain anchored in 2021 as a result of the Fed's commitment to ensuring a sustained economic recovery through accommodative monetary policy. But we remain mindful that the risk is more skewed to higher interest rates across the intermediate and long end of the yield curve, driven by the economic recovery and higher inflation expectations.

Janus Henderson VIT Balanced Portfolio (unaudited)

As always, we will dynamically adjust each sleeve of the Portfolio, as well as the Portfolio's overall asset allocation, based on market conditions and the investment opportunities our equity and fixed income teams identify through their bottom-up, fundamental research.

Thank you for your investment in Janus Henderson VIT Balanced Portfolio.

Janus Henderson VIT Balanced Portfolio (unaudited)
Portfolio At A Glance
December 31, 2020

5 Top Contributors - Equity Sleeve Holdings

	Average Weight	Relative Contribution
Lam Research Corp	1.91%	0.76%
Adobe Inc	3.09%	0.63%
Microsoft Corp	7.83%	0.54%
NVIDIA Corp	1.50%	0.41%
Deere & Co	1.15%	0.34%

5 Top Detractors - Equity Sleeve Holdings

	Average Weight	Relative Contribution
Boeing Co	0.61%	-1.06%
LyondellBasell Industries NV	0.39%	-0.94%
Norwegian Cruise Line Holdings Ltd	0.14%	-0.76%
US Bancorp	0.70%	-0.71%
Amazon.com Inc	3.75%	-0.62%

5 Top Contributors - Equity Sleeve Sectors*

	Relative Contribution	Equity Sleeve Average Weight	S&P 500 Index Average Weight
Energy	1.31%	0.39%	2.80%
Information Technology	0.87%	30.96%	26.47%
Financials	0.52%	10.01%	10.68%
Utilities	0.49%	0.27%	3.18%
Health Care	0.31%	15.23%	14.41%

5 Top Detractors - Equity Sleeve Sectors*

	Relative Contribution	Equity Sleeve Average Weight	S&P 500 Index Average Weight
Consumer Discretionary	-1.28%	15.23%	10.78%
Industrials	-1.13%	7.25%	8.35%
Materials	-1.01%	0.81%	2.56%
Other**	-0.77%	1.65%	0.00%
Consumer Staples	-0.15%	8.03%	7.13%

Relative contribution reflects how the portfolio'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 Balanced Portfolio (unaudited)

Portfolio At A Glance

December 31, 2020

5 Largest Equity Holdings - (% of Net Assets)

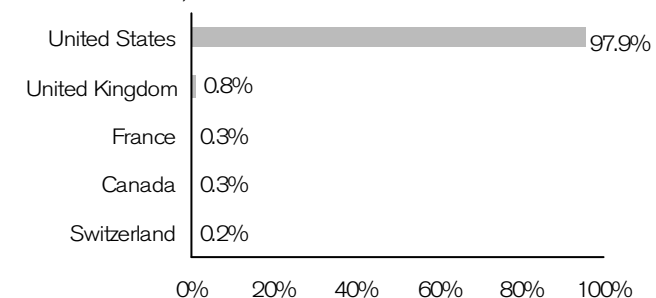
Microsoft Corp	
Software	4.8%
Apple Inc	
Technology Hardware, Storage & Peripherals	3.6%
Amazon.com Inc	
Internet & Direct Marketing Retail	3.1%
Alphabet Inc - Class C	
Interactive Media & Services	2.6%
Mastercard Inc	
Information Technology Services	2.5%
	16.6%

Asset Allocation - (% of Net Assets)

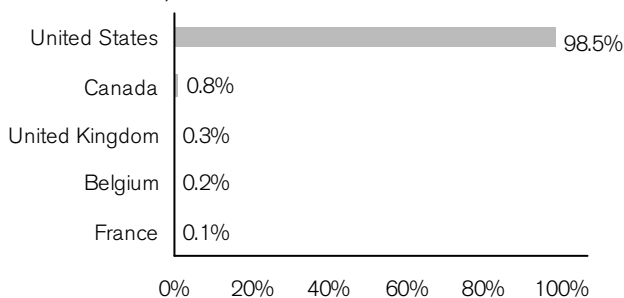
Common Stocks	62.5%
Corporate Bonds	19.6%
Asset-Backed/Commercial	
Mortgage-Backed Securities	5.3%
Mortgage-Backed Securities	5.3%
United States Treasury	
Notes/Bonds	4.8%
Investment Companies	2.7%
Inflation-Indexed Bonds	1.1%
Preferred Stocks	0.3%
Bank Loans and Mezzanine Loans	0.1%
Other	(1.7)%
	100.0%

Top Country Allocations - Long Positions - (% of Investment Securities)

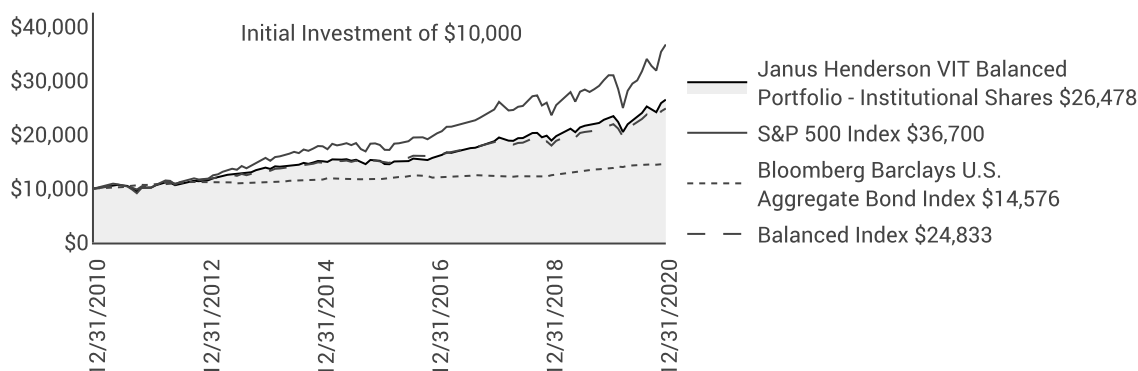
As of December 31, 2020



As of December 31, 2019



Janus Henderson VIT Balanced Portfolio (unaudited) Performance



Average Annual Total Return - for the periods ended December 31, 2020	Expense Ratios			
	One Year	Five Year	Ten Year	Since Inception*
Institutional Shares	14.31%	11.81%	10.23%	10.18%
Service Shares	14.03%	11.53%	9.95%	10.00%
S&P 500 Index	18.40%	15.22%	13.88%	10.12%
Bloomberg Barclays U.S. Aggregate Bond Index	7.51%	4.44%	3.84%	5.23%
Balanced Index	14.20%	10.57%	9.52%	8.18%
Morningstar Quartile - Institutional Shares	2nd	1st	1st	1st
Morningstar Ranking - based on total returns for Allocation - 50% to 70% Equity Funds	218/689	40/647	27/525	10/211

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit janushenderson.com/VITperformance.

Performance may be affected by risks that include those associated with foreign and emerging markets, fixed income securities, high-yield and high-risk securities, undervalued, overlooked and smaller capitalization companies, real estate related securities including Real Estate Investment Trusts (REITs), non-diversification, portfolio turnover, derivatives, short sales, initial public offerings (IPOs) and potential conflicts of interest. Each product has different risks. Please see the prospectus for more information about risks, holdings and other details.

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

Returns include reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Performance for Service Shares prior to December 31, 1999 reflects the performance of Institutional Shares, adjusted to reflect the expenses of Service Shares.

Ranking is for the share class shown only; other classes may have different performance characteristics.

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There is no assurance that the investment process will consistently lead to successful investing.

See Notes to Schedule of Investments and Other Information for index definitions.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

See important disclosures on the next page.

Janus Henderson VIT Balanced Portfolio (unaudited)

Performance

See "Useful Information About Your Portfolio Report."

Effective February 1, 2020, Jeremiah Buckley, Michael Keough, Marc Pinto and Greg Wilensky are Co-Portfolio Managers of the Portfolio.

Portfolio Manager Marc Pinto has announced his retirement effective April 2, 2021.

*The Portfolio's inception date – September 13, 1993

‡ As stated in the prospectus. See Financial Highlights for actual expense ratios during the reporting period.

Janus Henderson VIT Balanced Portfolio (unaudited)

Expense Examples

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees; 12b-1 distribution and shareholder servicing fees (applicable to Service Shares only); transfer agent fees and expenses payable pursuant to the Transfer Agency Agreement; and other Portfolio expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The example is based upon an investment of \$1,000 invested at the beginning of the period and held for the six-months indicated, unless noted otherwise in the table and footnotes below.

Actual Expenses

The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the appropriate column for your share class under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based upon the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Additionally, for an analysis of the fees associated with an investment in either share class or other similar funds, please visit www.finra.org/fundalyzer.

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)			Net Annualized Expense Ratio
	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	
Institutional							
Shares	\$1,000.00	\$1,144.80	\$3.40	\$1,000.00	\$1,021.97	\$3.20	0.63%
Service Shares	\$1,000.00	\$1,143.40	\$4.74	\$1,000.00	\$1,020.71	\$4.47	0.88%

† Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period). Expenses in the examples include the effect of applicable fee waivers and/or expense reimbursements, if any. Had such waivers and/or reimbursements not been in effect, your expenses would have been higher. Please refer to the Notes to Financial Statements or the Portfolio's prospectuses for more information regarding waivers and/or reimbursements.

Janus Henderson VIT Balanced Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Asset-Backed/Commercial Mortgage-Backed Securities— 5.3%		
208 Park Avenue Mortgage Trust 2017-280P, ICE LIBOR USD 1 Month + 0.8800%, 1.0386%, 9/15/34 (144A)†	\$3,072,117	\$3,073,155
Angel Oak Mortgage Trust I LLC 2018-2, ICE LIBOR USD 12 Month + 0.7600%, 3.6740%, 7/27/48 (144A)†	428,415	432,707
Angel Oak Mortgage Trust I LLC 2019-5, 2.5930%, 10/25/49 (144A)†	2,155,836	2,183,131
Angel Oak Mortgage Trust I LLC 2019-6, ICE LIBOR USD 12 Month + 0.9500%, 2.6200%, 11/25/59 (144A)†	1,989,320	2,014,402
Angel Oak Mortgage Trust I LLC 2020-3, ICE LIBOR USD 12 Month + 1.0000%, 2.4100%, 4/25/65 (144A)†	3,139,183	3,169,418
Applebee's Funding LLC / IHOP Funding LLC, 4.1940%, 6/7/49 (144A)	3,746,610	3,666,797
Arbys Funding LLC 2020-1A, 3.2370%, 7/30/50 (144A)	8,217,405	8,363,523
Arroyo Mortgage Trust 2018-1, ICE LIBOR USD 12 Month + 0.8500%, 3.7630%, 4/25/48 (144A)†	635,568	642,117
Bank 2018-BN12 A4, 4.2550%, 5/15/61†	1,122,676	1,334,016
Bank 2019-BN17, 3.7140%, 4/15/52	2,498,288	2,911,301
Bank 2019-BN18, 3.5840%, 5/15/62	4,251,505	4,926,190
Bank 2019-BN20, 3.0110%, 9/15/62	2,044,338	2,283,612
Bank 2019-BN23, 2.9200%, 12/15/52	3,677,640	4,088,135
Bank 2019-BNK24, 2.9600%, 11/15/62	864,000	964,250
Barclays Commercial Mortgage Securities LLC 2015-SRCH, 4.1970%, 8/10/35 (144A)	2,528,000	2,886,887
Barclays Commercial Mortgage Securities LLC 2017-DELC, ICE LIBOR USD 1 Month + 0.8500%, 1.0086%, 8/15/36 (144A)†	2,087,000	2,063,642
Benchmark Mortgage Trust 2020-B16, 2.7320%, 2/15/53	2,207,000	2,423,701
BVRT Financing Trust, 7/10/32†	2,815,000	2,815,000
BX Commercial Mortgage Trust 2018-IND, ICE LIBOR USD 1 Month + 0.7500%, 0.9090%, 11/15/35 (144A)†	2,252,683	2,251,861
BX Commercial Mortgage Trust 2019-XL, ICE LIBOR USD 1 Month + 0.9200%, 1.0790%, 10/15/36 (144A)†	4,248,108	4,256,277
BX Commercial Mortgage Trust 2019-XL, ICE LIBOR USD 1 Month + 1.0800%, 1.2390%, 10/15/36 (144A)†	689,190	689,132
BX Commercial Mortgage Trust 2020-FOX A, ICE LIBOR USD 1 Month + 1.0000%, 1.1590%, 11/15/32 (144A)†	7,131,000	7,142,048
BX Commercial Mortgage Trust 2020-FOX B, ICE LIBOR USD 1 Month + 1.3500%, 1.5090%, 11/15/32 (144A)†	1,260,000	1,263,076
BX Commercial Mortgage Trust 2020-FOX C, ICE LIBOR USD 1 Month + 1.5500%, 1.7090%, 11/15/32 (144A)†	1,149,000	1,151,856
BX Trust 2019-OC11, 3.2020%, 12/9/41 (144A)	4,457,000	4,891,466
BX Trust 2019-OC11, 3.6050%, 12/9/41 (144A)	2,229,000	2,453,650
BX Trust 2019-OC11, 3.8560%, 12/9/41 (144A)	2,229,000	2,370,463
BX Trust 2019-OC11, 4.0755%, 12/9/41 (144A)†	3,343,000	3,487,888
BX Trust 2019-OC11, 4.0755%, 12/9/41 (144A)†	851,000	849,275
BXP Trust 2017-GM, 3.3790%, 6/13/39 (144A)	1,140,000	1,271,422
CarMax Auto Owner Trust 2017-3, 2.7200%, 5/15/23	2,701,000	2,741,069
Chase Home Lending Mortgage Trust 2019-ATR2, ICE LIBOR USD 1 Month + 0.9000%, 1.0480%, 7/25/49 (144A)†	379,691	379,673
Cold Storage Trust 2020-ICE5 A, ICE LIBOR USD 1 Month + 0.9000%, 1.0586%, 11/15/37 (144A)†	6,737,000	6,737,726
Cold Storage Trust 2020-ICE5 B, ICE LIBOR USD 1 Month + 1.3000%, 1.4586%, 11/15/37 (144A)†	2,995,000	2,996,486
Cold Storage Trust 2020-ICE5 C, ICE LIBOR USD 1 Month + 1.6500%, 1.8086%, 11/15/37 (144A)†	3,007,000	3,008,443
COLT Funding LLC 2020-2, ICE LIBOR USD 12 Month + 1.5000%, 1.8530%, 3/25/65 (144A)†	1,819,491	1,840,945
COLT Funding LLC 2020-3, ICE LIBOR USD 12 Month + 1.2000%, 1.5060%, 4/27/65 (144A)†	1,836,674	1,839,867
Connecticut Avenue Securities Trust 2014-C04, ICE LIBOR USD 1 Month + 4.9000%, 5.0480%, 11/25/24†	417,197	428,185
Connecticut Avenue Securities Trust 2016-C03, ICE LIBOR USD 1 Month + 5.9000%, 6.0480%, 10/25/28†	647,907	678,666

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Asset-Backed/Commercial Mortgage-Backed Securities– (continued)		
Connecticut Avenue Securities Trust 2016-C04, ICE LIBOR USD 1 Month + 4.2500%, 4.3980%, 1/25/29 [‡]	\$1,601,141	\$1,656,807
Connecticut Avenue Securities Trust 2016-C06 1M2, ICE LIBOR USD 1 Month + 4.2500%, 4.3980%, 4/25/29 [‡]	1,998,312	2,048,071
Connecticut Avenue Securities Trust 2017-C01, ICE LIBOR USD 1 Month + 3.5500%, 3.6980%, 7/25/29 [‡]	2,172,863	2,237,535
Connecticut Avenue Securities Trust 2018-C05, ICE LIBOR USD 1 Month + 2.3500%, 2.4980%, 1/25/31 [‡]	2,695,097	2,692,482
Connecticut Avenue Securities Trust 2018-R07, ICE LIBOR USD 1 Month + 2.4000%, 2.5480%, 4/25/31 (144A) [‡]	3,283,144	3,279,738
Connecticut Avenue Securities Trust 2019-R02, ICE LIBOR USD 1 Month + 2.3000%, 2.4480%, 8/25/31 (144A) [‡]	4,295,377	4,284,637
Connecticut Avenue Securities Trust 2019-R03, ICE LIBOR USD 1 Month + 2.1500%, 2.2980%, 9/25/31 (144A) [‡]	3,042,068	3,032,622
Connecticut Avenue Securities Trust 2019-R04, ICE LIBOR USD 1 Month + 2.1000%, 2.2480%, 6/25/39 (144A) [‡]	3,815,278	3,803,447
Connecticut Avenue Securities Trust 2019-R05, ICE LIBOR USD 1 Month + 2.0000%, 2.1480%, 7/25/39 (144A) [‡]	3,349,205	3,337,984
Connecticut Avenue Securities Trust 2019-R06, ICE LIBOR USD 1 Month + 2.1000%, 2.2480%, 9/25/39 (144A) [‡]	3,711,652	3,704,270
Connecticut Avenue Securities Trust 2019-R07, ICE LIBOR USD 1 Month + 2.1000%, 2.2480%, 10/25/39 (144A) [‡]	4,647,402	4,631,628
Connecticut Avenue Securities Trust 2020-R01, ICE LIBOR USD 1 Month + 0.8000%, 0.9480%, 1/25/40 (144A) [‡]	697,973	698,188
Connecticut Avenue Securities Trust 2020-R01 1M2, ICE LIBOR USD 1 Month + 2.0500%, 2.1980%, 1/25/40 (144A) [‡]	3,578,359	3,556,115
Connecticut Avenue Securities Trust 2020-R02, ICE LIBOR USD 1 Month + 2.0000%, 2.1480%, 1/25/40 (144A) [‡]	5,273,843	5,236,778
Cosmopolitan Hotel Trust 2017, ICE LIBOR USD 1 Month + 0.9300%, 1.0886%, 11/15/36 (144A) [‡]	2,618,339	2,588,922
Credit Acceptance Auto Loan Trust 2018-2, 3.9400%, 7/15/27 (144A)	1,172,000	1,198,357
Credit Suisse Commercial Mortgage Trust 2019-ICE4, ICE LIBOR USD 1 Month + 0.9800%, 1.1390%, 5/15/36 (144A) [‡]	7,812,000	7,815,009
Credit Suisse Commercial Mortgage Trust 2019-ICE4 C, ICE LIBOR USD 1 Month + 1.4300%, 1.5890%, 5/15/36 (144A) [‡]	1,486,000	1,484,150
Credit Suisse Commercial Mortgage Trust 2020-UNFI, 4.1682%, 12/6/22 [‡]	2,312,000	2,327,230
DB Master Finance LLC 2019-1A A23, 4.3520%, 5/20/49 (144A)	1,295,600	1,408,884
DB Master Finance LLC 2019-1A A2I, 3.7870%, 5/20/49 (144A)	1,620,488	1,677,204
DB Master Finance LLC 2019-1A A2II, 4.0210%, 5/20/49 (144A)	1,020,088	1,079,661
Domino's Pizza Master Issuer LLC, 3.0820%, 7/25/47 (144A)	716,830	725,545
Domino's Pizza Master Issuer LLC, 4.1180%, 7/25/47 (144A)	913,740	978,498
Domino's Pizza Master Issuer LLC, 4.1160%, 7/25/48 (144A)	3,357,713	3,557,573
Domino's Pizza Master Issuer LLC, 4.3280%, 7/25/48 (144A)	2,020,493	2,194,236
Domino's Pizza Master Issuer LLC, 3.6680%, 10/25/49 (144A)	6,453,810	6,834,119
Drive Auto Receivables Trust 2017-1, 5.1700%, 9/16/24	2,997,000	3,095,025
Drive Auto Receivables Trust 2017-2, 5.2700%, 11/15/24	2,613,000	2,717,373
Drive Auto Receivables Trust 2017-3, 3.5300%, 12/15/23 (144A)	458,645	465,470
Drive Auto Receivables Trust 2017-A, 4.1600%, 5/15/24 (144A)	795,087	804,666
Drive Auto Receivables Trust 2018-4, 3.6600%, 11/15/24	528,531	532,918
Fannie Mae Connecticut Avenue Securities, ICE LIBOR USD 1 Month + 5.0000%, 5.1480%, 7/25/25 [‡]	2,379,267	2,405,111
Fannie Mae Connecticut Avenue Securities, ICE LIBOR USD 1 Month + 5.7000%, 5.8480%, 4/25/28 [‡]	1,354,787	1,415,568
Fannie Mae Connecticut Avenue Securities, ICE LIBOR USD 1 Month + 2.0000%, 2.1480%, 3/25/31 [‡]	3,628,195	3,591,324
Fannie Mae REMICS, 3.0000%, 5/25/48	4,093,032	4,394,681
Fannie Mae REMICS, 3.0000%, 11/25/49	6,230,042	6,648,163
Freddie Mac Structured Agency Credit Risk Debt Notes 2016-DNA1 M3, ICE LIBOR USD 1 Month + 5.5500%, 5.7001%, 7/25/28 [‡]	1,849,773	1,926,647
Freddie Mac Structured Agency Credit Risk Debt Notes 2019-DNA4 M2,		

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

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	Shares or Principal Amounts	Value
Asset-Backed/Commercial Mortgage-Backed Securities– (continued)		
ICE LIBOR USD 1 Month + 1.9500%, 2.0980%, 10/25/49 (144A) [†]	\$1,179,566	\$1,173,719
Freddie Mac Structured Agency Credit Risk Debt Notes 2020-DNA1 M2, ICE LIBOR USD 1 Month + 1.7000%, 1.8480%, 1/25/50 (144A) [†]	3,914,000	3,884,715
Freddie Mac Structured Agency Credit Risk Debt Notes 2020-DNA3 M2, ICE LIBOR USD 1 Month + 3.0000%, 3.1480%, 6/25/50 (144A) [†]	2,150,300	2,166,873
Freddie Mac Structured Agency Credit Risk Debt Notes 2020-DNA6 M2, US 30 Day Average SOFR + 2.0000%, 2.0773%, 12/25/50 (144A) [†]	4,640,000	4,632,578
Freddie Mac Structured Agency Credit Risk Debt Notes 2020-HQA4 M2, ICE LIBOR USD 1 Month + 3.1500%, 3.2980%, 9/25/50 (144A) [†]	2,441,000	2,463,420
Freddie Mac Structured Agency Credit Risk Debt Notes 2020-HQA5 M2, US 30 Day Average SOFR + 2.6000%, 2.6817%, 11/25/50 (144A) [†]	7,495,000	7,518,529
Great Wolf Trust, ICE LIBOR USD 1 Month + 1.0340%, 1.1930%, 12/15/36 (144A) [†]	1,067,000	1,044,428
Great Wolf Trust, ICE LIBOR USD 1 Month + 1.3340%, 1.4930%, 12/15/36 (144A) [†]	1,195,000	1,123,334
Great Wolf Trust, ICE LIBOR USD 1 Month + 1.6330%, 1.7920%, 12/15/36 (144A) [†]	1,332,000	1,240,459
GS Mortgage Securities Trust 2018-GS10, 4.1550%, 7/10/51 [†]	1,603,823	1,913,127
GS Mortgage Securities Trust 2018-GS9, 3.9920%, 3/10/51 [†]	2,669,380	3,125,404
GS Mortgage Securities Trust 2020-GC45, 2.9106%, 2/13/53	2,189,000	2,434,569
GS Mortgage Securities Trust 2020-GC47, 2.3772%, 5/12/53	3,112,000	3,326,210
Jack in the Box Funding LLC 2019-1A A23, 4.9700%, 8/25/49 (144A)	3,528,338	3,792,962
Jack in the Box Funding LLC 2019-1A A2I, 3.9820%, 8/25/49 (144A)	3,528,338	3,608,339
Jack in the Box Funding LLC 2019-1A A2II, 4.4760%, 8/25/49 (144A)	4,962,500	5,197,449
JP Morgan Mortgage Trust 2019-LTV2, ICE LIBOR USD 1 Month + 0.9000%, 1.0480%, 12/25/49 (144A) [†]	918,674	919,629
Morgan Stanley Capital I Trust 2016-UB11, 2.7820%, 8/15/49	2,782,000	3,013,580
Morgan Stanley Capital I Trust 2019-H6, 3.4170%, 6/15/52	1,423,916	1,627,021
Morgan Stanley Capital I Trust 2015-UBS8, 3.8090%, 12/15/48	2,221,000	2,491,190
Morgan Stanley Capital I Trust 2018-H3, 4.1770%, 7/15/51	2,249,599	2,672,293
Morgan Stanley Capital I Trust 2018-H4, 4.3100%, 12/15/51	3,365,443	4,027,211
New Residential Mortgage Loan Trust 2018-2, ICE LIBOR USD 6 Month + 0.6800%, 4.5000%, 2/25/58 (144A) [†]	845,635	908,038
NRZ Excess Spread Collateralized Notes 2020-PLS1 A, 3.8440%, 12/25/25 (144A)	2,138,000	2,137,995
Oak Street Investment Grade Net Lease Fund 2020-1A A1, 1.8500%, 11/20/50 (144A)	3,755,534	3,754,508
Oak Street Investment Grade Net Lease Fund 2020-1A A5, 3.3900%, 11/20/50 (144A)	5,424,000	5,416,026
OneMain Direct Auto Receivables Trust 2018-1, 3.8500%, 10/14/25 (144A)	570,000	592,011
OneMain Direct Auto Receivables Trust 2018-1, 4.4000%, 1/14/28 (144A)	566,000	590,158
Planet Fitness Master Issuer LLC 2018-1A, 4.2620%, 9/5/48 (144A)	2,666,620	2,664,837
Planet Fitness Master Issuer LLC 2019-1A, 3.8580%, 12/5/49 (144A)	3,372,930	3,281,388
Preston Ridge Partners Mortgage Trust 2019-3A, 3.3510%, 7/25/24 (144A) [□]	1,821,161	1,827,402
Preston Ridge Partners Mortgage Trust 2019-4A, 3.3510%, 11/25/24 (144A) [□]	2,388,007	2,391,115
Preston Ridge Partners Mortgage Trust 2020-1A, 2.9810%, 2/25/25 (144A) [□]	974,486	976,249
Preston Ridge Partners Mortgage Trust 2020-2, 3.6710%, 8/25/25 (144A) [□]	1,984,602	1,991,894
Preston Ridge Partners Mortgage Trust 2020-3, 2.8570%, 9/25/25 (144A) [□]	5,861,564	5,892,277
Preston Ridge Partners Mortgage Trust 2020-4 A1, 2.9510%, 10/25/25 (144A) [□]	3,651,607	3,652,595
Preston Ridge Partners Mortgage Trust 2020-5 A1, 3.1040%, 11/25/25 (144A) [□]	1,921,355	1,924,548
Santander Drive Auto Receivables Trust 2016-3, 4.2900%, 2/15/24	3,056,000	3,075,638
Santander Drive Auto Receivables Trust 2020-1 A2A, 2.0700%, 1/17/23	1,032,455	1,037,025
Sequoia Mortgage Trust 2013-5, 2.5000%, 5/25/43 (144A) [†]	1,488,208	1,542,307
Sequoia Mortgage Trust 2020-2, 3.5000%, 3/25/50 (144A) [†]	777,094	798,394
Spruce Hill Mortgage Loan Trust 2020-SH1 A1, ICE LIBOR USD 12 Month + 0.9500%, 2.5210%, 1/28/50 (144A) [†]	622,136	680,678
Spruce Hill Mortgage Loan Trust 2020-SH1 A2, ICE LIBOR USD 12 Month + 1.0500%, 2.6240%, 1/28/50 (144A) [†]	1,542,737	1,680,396
Spruce Hill Mortgage Loan Trust 2020-SH2, 3.4070%, 6/25/55 (144A) [†]	5,588,544	6,171,385
Starwood Mortgage Residential Trust 2020-2, 2.7180%, 4/25/60 (144A) [†]	1,628,059	1,650,255

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Asset-Backed/Commercial Mortgage-Backed Securities– (continued)		
Taco Bell Funding LLC, 4.3180%, 11/25/48 (144A)	\$2,958,620	\$3,005,409
Taco Bell Funding LLC, 4.9400%, 11/25/48 (144A)	2,178,540	2,390,863
Towd Point Asset Funding LLC 2019-HE1 A1, ICE LIBOR USD 1 Month + 0.9000%, 1.0480%, 4/25/48 (144A) [†]	1,145,611	1,141,462
United Auto Credit Securitization Trust 2019-1 C, 3.1600%, 8/12/24 (144A)	1,517,082	1,524,824
Vantage Data Centers LLC 2020-1A A2, 1.6450%, 9/15/45 (144A)	7,100,000	7,107,087
Vantage Data Centers LLC 2020-2A A2, 1.9920%, 9/15/45 (144A)	3,097,000	3,101,417
VCAT Asset Securitization LLC 2020-NPL1, 3.6710%, 8/25/50 (144A) [‡]	2,089,787	2,089,764
Wendy's Funding LLC, 3.5730%, 3/15/48 (144A)	1,133,930	1,172,441
Wendy's Funding LLC, 3.8840%, 3/15/48 (144A)	323,980	341,735
Wendy's Funding LLC, 3.7830%, 6/15/49 (144A)	2,066,065	2,164,379
WFRBS Commercial Mortgage Trust 2014-C25, 3.6310%, 11/15/47	2,351,000	2,600,996
Wingstop Funding LLC 2020-1A A2, 2.8410%, 12/5/50 (144A)	3,624,000	3,686,334
Total Asset-Backed/Commercial Mortgage-Backed Securities (cost \$349,024,329)		357,398,963
Bank Loans and Mezzanine Loans– 0.1%		
Consumer Non-Cyclical – 0.1%		
Elanco Animal Health Inc, ICE LIBOR USD 1 Month + 1.7500%, 1.9048%, 8/1/27 [†] (cost \$9,240,038)	9,240,038	9,173,060
Corporate Bonds– 19.6%		
Banking – 4.1%		
Banco Santander SA, 2.7490%, 12/3/30	4,800,000	4,953,914
Bank of America Corp, ICE LIBOR USD 3 Month + 1.5120%, 3.7050%, 4/24/28 [†]	9,368,000	10,661,044
Bank of America Corp, ICE LIBOR USD 3 Month + 1.0700%, 3.9700%, 3/5/29 [†]	3,294,000	3,837,466
Bank of America Corp, SOFR + 2.1500%, 2.5920%, 4/29/31 [†]	14,103,000	15,112,649
Bank of America Corp, ICE LIBOR USD 3 Month + 3.1350%, 5.2000% ^{‡,μ}	2,002,000	2,087,085
Bank of America Corp, ICE LIBOR USD 3 Month + 3.7050%, 6.2500% ^{‡,μ}	5,841,000	6,480,955
Bank of America Corp, ICE LIBOR USD 3 Month + 3.8980%, 6.1000% ^{‡,μ}	2,051,000	2,323,886
Bank of America Corp, ICE LIBOR USD 3 Month + 2.6640%, 4.3000%, 1/24/70 [†]	4,443,000	4,581,000
Bank of New York Mellon Corp, US Treasury Yield Curve Rate 5 Year + 4.3580%, 4.7000% ^{‡,μ}	8,577,000	9,458,716
BNP Paribas SA, ICE LIBOR USD 3 Month + 2.2350%, 4.7050%, 1/10/25 (144A) [†]	3,042,000	3,380,506
BNP Paribas SA, ICE LIBOR USD 3 Month + 1.1110%, 2.8190%, 11/19/25 (144A) [†]	2,067,000	2,208,326
BNP Paribas SA, SOFR + 1.5070%, 3.0520%, 1/13/31 (144A) [†]	5,635,000	6,145,824
BNP Paribas SA, US Treasury Yield Curve Rate 5 Year + 2.0500%, 2.5880%, 8/12/35 (144A) [†]	8,887,000	9,080,289
Citigroup Inc, ICE LIBOR USD 3 Month + 1.5630%, 3.8870%, 1/10/28 [†]	9,899,000	11,370,113
Citigroup Inc, SOFR + 3.9140%, 4.4120%, 3/31/31 [†]	6,795,000	8,233,932
Citigroup Inc, ICE LIBOR USD 3 Month + 4.0680%, 5.9500% ^{‡,μ}	3,565,000	3,741,821
Citigroup Inc, 5.9000% ^μ	452,000	474,826
Citigroup Inc, ICE LIBOR USD 3 Month + 3.4660%, 5.3500% ^{‡,μ}	2,436,000	2,536,485
Citigroup Inc, ICE LIBOR USD 3 Month + 3.4230%, 6.3000% ^{‡,μ}	555,000	601,620
Citigroup Inc, ICE LIBOR USD 3 Month + 3.9050%, 5.9500% ^{‡,μ}	2,339,000	2,555,357
Citigroup Inc, SOFR + 3.8130%, 5.0000% ^{‡,μ}	3,727,000	3,873,751
Citigroup Inc, SOFR + 3.2340%, 4.7000% ^{‡,μ}	2,444,000	2,511,430
Citizens Financial Group Inc, 2.6380%, 9/30/32	3,680,000	3,890,552
Credit Agricole SA/London, SOFR + 1.6760%, 1.9070%, 6/16/26 (144A) [†]	1,778,000	1,843,774
Credit Suisse Group AG, US Treasury Yield Curve Rate 5 Year + 3.5540%, 4.5000% (144A) ^{‡,μ}	8,369,000	8,410,008
First Republic Bank/CA, 4.6250%, 2/13/47	1,653,000	2,178,381
Goldman Sachs Group Inc, 3.5000%, 4/1/25	10,761,000	11,966,456
Goldman Sachs Group Inc, ICE LIBOR USD 3 Month + 3.9220%, 4.1279% ^{‡,μ}	9,690,000	9,670,426
Goldman Sachs Group Inc, ICE LIBOR USD 3 Month + 2.8740%, 5.0000% ^{‡,μ}	739,000	746,390
Goldman Sachs Group Inc, US Treasury Yield Curve Rate 5 Year + 3.2240%, 4.9500% ^{‡,μ}	1,666,000	1,762,495
HSBC Holdings PLC, SOFR + 1.5380%, 1.6450%, 4/18/26 [†]	3,742,000	3,826,411
HSBC Holdings PLC, SOFR + 1.2900%, 1.5890%, 5/24/27 [†]	13,189,000	13,408,789
HSBC Holdings PLC, SOFR + 1.9470%, 2.3570%, 8/18/31 [†]	2,865,000	2,957,335
JPMorgan Chase & Co, SOFR + 1.8500%, 2.0830%, 4/22/26 [†]	16,792,000	17,730,952

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	Shares or Principal Amounts	Value
Corporate Bonds– (continued)		
Banking– (continued)		
JPMorgan Chase & Co, ICE LIBOR USD 3 Month + 1.2450%, 3.9600%, 1/29/27 [‡]	\$8,352,000	\$9,595,025
JPMorgan Chase & Co, SOFR + 2.5150%, 2.9560%, 5/13/31 [‡]	13,078,000	14,336,569
JPMorgan Chase & Co, ICE LIBOR USD 3 Month + 2.5800%, 4.6250% ^{‡,‡}	833,000	822,466
JPMorgan Chase & Co, SOFR + 3.3800%, 5.0000%, 7/31/69 [‡]	2,000,000	2,104,061
JPMorgan Chase & Co, SOFR + 3.1250%, 4.6000%, 1/23/70 [‡]	2,111,000	2,179,607
JPMorgan Chase & Co, SOFR + 2.7450%, 4.0000%, 2/24/70 [‡]	1,999,000	2,031,484
Morgan Stanley, SOFR + 1.9900%, 2.1880%, 4/28/26 [‡]	6,824,000	7,206,361
Morgan Stanley, 4.3500%, 9/8/26	3,985,000	4,699,068
Morgan Stanley, 3.9500%, 4/23/27	6,273,000	7,252,417
Morgan Stanley, SOFR + 1.0340%, 1.7940%, 2/13/32 [‡]	5,529,000	5,559,829
Natwest Group PLC, US Treasury Yield Curve Rate 5 Year + 2.3500%, 3.0320%, 11/28/35 [‡]	5,500,000	5,688,155
UBS Group AG, US Treasury Yield Curve Rate 1 Year + 1.0800%, 1.3640%, 1/30/27 (144A) [‡]	7,020,000	7,096,924
Westpac Banking Corp, US Treasury Yield Curve Rate 5 Year + 1.7500%, 2.6680%, 11/15/35 [‡]	5,490,000	5,655,578
Westpac Banking Corp, 2.9630%, 11/16/40	1,624,000	1,726,809
		270,557,317
Basic Industry – 0.5%		
Allegheny Technologies Inc, 5.8750%, 12/1/27	4,100,000	4,330,625
Axalta Coating Systems Ltd, 3.3750%, 2/15/29 (144A)	7,654,000	7,654,000
Constellium NV, 5.7500%, 5/15/24 (144A)	4,159,000	4,243,927
Element Solutions Inc, 3.8750%, 9/1/28 (144A)	5,787,000	5,953,376
Georgia-Pacific LLC, 3.1630%, 11/15/21 (144A)	3,657,000	3,725,489
Nutrition & Biosciences Inc, 1.8320%, 10/15/27 (144A)	4,072,000	4,195,051
Nutrition & Biosciences Inc, 3.2680%, 11/15/40 (144A)	1,492,000	1,601,039
Nutrition & Biosciences Inc, 3.4680%, 12/1/50 (144A)	2,280,000	2,472,164
Reliance Steel & Aluminum Co, 4.5000%, 4/15/23	2,242,000	2,418,805
		36,594,476
Brokerage – 0.6%		
Charles Schwab Corp, US Treasury Yield Curve Rate 5 Year + 4.9710%, 5.3750% ^{‡,‡}	15,360,000	17,107,200
Charles Schwab Corp, US Treasury Yield Curve Rate 10 Year + 3.0790%, 4.0000% ^{‡,‡}	7,093,000	7,465,382
Intercontinental Exchange Inc, 2.1000%, 6/15/30	4,138,000	4,307,779
Intercontinental Exchange Inc, 1.8500%, 9/15/32	2,181,000	2,197,377
Raymond James Financial Inc, 5.6250%, 4/1/24	1,553,000	1,792,039
Raymond James Financial Inc, 4.6500%, 4/1/30	1,983,000	2,431,224
Raymond James Financial Inc, 4.9500%, 7/15/46	2,715,000	3,714,913
		39,015,914
Capital Goods – 1.3%		
Avery Dennison Co, 2.6500%, 4/30/30	5,093,000	5,459,711
BAE Systems PLC, 3.4000%, 4/15/30 (144A)	2,256,000	2,554,429
BAE Systems PLC, 1.9000%, 2/15/31 (144A)	3,168,000	3,200,791
Boeing Co, 4.5080%, 5/1/23	6,065,000	6,554,872
Boeing Co, 4.8750%, 5/1/25	1,957,000	2,230,382
Boeing Co, 2.7500%, 2/1/26	1,978,000	2,079,497
Boeing Co, 2.2500%, 6/15/26	504,000	516,746
Boeing Co, 3.2500%, 2/1/28	2,110,000	2,260,395
Boeing Co, 3.6000%, 5/1/34	5,168,000	5,452,306
Boeing Co, 5.7050%, 5/1/40	4,356,000	5,632,798
Boeing Co, 5.9300%, 5/1/60	1,200,000	1,699,248
General Dynamics Corp, 3.5000%, 4/1/27	2,033,000	2,337,854
General Electric Co, 6.7500%, 3/15/32	2,125,000	2,977,640
Huntington Ingalls Industries Inc, 3.8440%, 5/1/25 (144A)	3,563,000	3,958,374
Huntington Ingalls Industries Inc, 4.2000%, 5/1/30 (144A)	6,409,000	7,587,192
Northrop Grumman Corp, 4.4000%, 5/1/30	3,546,000	4,399,212
United Rentals North America Inc, 3.8750%, 2/15/31	1,581,000	1,658,548
Vulcan Materials Co, 3.5000%, 6/1/30	2,835,000	3,254,593

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Corporate Bonds– (continued)		
Capital Goods– (continued)		
Wabtec Corp, 4.4000%, 3/15/24	\$3,516,000	\$3,847,278
Wabtec Corp, 3.4500%, 11/15/26	975,000	1,070,062
Wabtec Corp, 4.9500%, 9/15/28	11,064,000	13,121,035
Westinghouse Air Brake Technologies Corp, 3.2000%, 6/15/25	4,854,000	5,235,751
		87,088,714
Communications – 2.1%		
AT&T Inc, 1.6500%, 2/1/28	3,063,000	3,123,744
AT&T Inc, 3.5000%, 9/15/53 (144A)	1,680,000	1,673,596
AT&T Inc, 3.5500%, 9/15/55 (144A)	2,407,000	2,394,201
AT&T Inc, 3.8000%, 12/1/57 (144A)	3,657,000	3,798,169
AT&T Inc, 3.6500%, 9/15/59 (144A)	604,000	605,766
CCO Holdings LLC / CCO Holdings Capital Corp, 4.2500%, 2/1/31 (144A)	6,601,000	6,956,530
CCO Holdings LLC / CCO Holdings Capital Corp, 4.5000%, 5/1/32 (144A)	9,894,000	10,564,022
CenturyLink Inc, 6.4500%, 6/15/21	2,658,000	2,711,718
CenturyLink Inc, 5.8000%, 3/15/22	1,479,000	1,541,857
Charter Communications Operating LLC / Charter Communications Operating Capital, 2.8000%, 4/1/31	4,500,000	4,753,668
Charter Communications Operating LLC / Charter Communications Operating Capital, 6.4840%, 10/23/45	936,000	1,326,298
Charter Communications Operating LLC / Charter Communications Operating Capital, 5.3750%, 5/1/47	1,778,000	2,215,850
Charter Communications Operating LLC / Charter Communications Operating Capital, 4.8000%, 3/1/50	4,793,000	5,718,931
Charter Communications Operating LLC / Charter Communications Operating Capital, 3.7000%, 4/1/51	2,337,000	2,422,575
Comcast Corp, 3.7500%, 4/1/40	1,775,000	2,132,743
Crown Castle International Corp, 3.6500%, 9/1/27	1,958,000	2,209,705
Crown Castle International Corp, 4.3000%, 2/15/29	3,161,000	3,752,471
Crown Castle International Corp, 3.1000%, 11/15/29	4,247,000	4,677,399
CSC Holdings LLC, 4.1250%, 12/1/30 (144A)	5,750,000	6,012,200
CSC Holdings LLC, 4.6250%, 12/1/30 (144A)	6,461,000	6,743,669
CSC Holdings LLC, 3.3750%, 2/15/31 (144A)	4,001,000	3,925,981
Fox Corp, 4.0300%, 1/25/24	2,592,000	2,854,294
GCI LLC, 4.7500%, 10/15/28 (144A)	9,592,000	10,230,348
Level 3 Financing Inc, 3.8750%, 11/15/29 (144A)	8,158,000	9,059,622
Sirius XM Radio Inc, 4.1250%, 7/1/30 (144A)	6,938,000	7,384,634
T-Mobile USA Inc, 3.5000%, 4/15/25 (144A)	3,170,000	3,502,787
T-Mobile USA Inc, 3.7500%, 4/15/27 (144A)	12,066,000	13,740,761
T-Mobile USA Inc, 2.0500%, 2/15/28 (144A)	1,148,000	1,194,104
T-Mobile USA Inc, 3.8750%, 4/15/30 (144A)	4,058,000	4,699,205
T-Mobile USA Inc, 2.5500%, 2/15/31 (144A)	1,557,000	1,634,959
T-Mobile USA Inc, 3.0000%, 2/15/41 (144A)	3,014,000	3,124,674
T-Mobile USA Inc, 3.3000%, 2/15/51 (144A)	2,616,000	2,691,419
Verizon Communications Inc, 3.0000%, 3/22/27	2,200,000	2,436,068
Verizon Communications Inc, 4.8620%, 8/21/46	1,321,000	1,782,425
		143,596,393
Consumer Cyclical – 2.2%		
1011778 BC ULC / New Red Finance Inc, 4.0000%, 10/15/30 (144A)	10,521,000	10,669,977
AutoZone Inc, 3.7500%, 4/18/29	2,021,000	2,329,584
AutoZone Inc, 1.6500%, 1/15/31	2,416,000	2,399,078
Booking Holdings Inc, 4.1000%, 4/13/25	11,477,000	13,013,508
Booking Holdings Inc, 4.5000%, 4/13/27	5,945,000	7,086,436
Booking Holdings Inc, 4.6250%, 4/13/30	4,148,000	5,151,612
Choice Hotels International Inc, 3.7000%, 12/1/29	4,189,000	4,568,775

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Corporate Bonds– (continued)		
Consumer Cyclical– (continued)		
Choice Hotels International Inc, 3.7000%, 1/15/31	\$1,267,000	\$1,403,228
Dollar General Corp, 3.5000%, 4/3/30	3,266,000	3,747,327
Dollar General Corp, 4.1250%, 4/3/50	3,153,000	3,983,281
Experian Finance PLC, 2.7500%, 3/8/30 (144A)	10,283,000	11,158,943
Ford Motor Credit Co LLC, 3.3750%, 11/13/25	7,879,000	8,068,569
Ford Motor Credit Co LLC, 4.0000%, 11/13/30	7,319,000	7,699,076
General Motors Co, 4.2000%, 10/1/27	1,542,000	1,746,637
General Motors Co, 5.0000%, 10/1/28	4,428,000	5,266,942
General Motors Co, 5.4000%, 4/1/48	1,505,000	1,892,433
General Motors Financial Co Inc, 4.3500%, 4/9/25	2,570,000	2,868,595
General Motors Financial Co Inc, 4.3000%, 7/13/25	790,000	886,220
General Motors Financial Co Inc, 4.3500%, 1/17/27	2,216,000	2,521,799
GLP Capital LP / GLP Financing II Inc, 3.3500%, 9/1/24	693,000	727,491
GLP Capital LP / GLP Financing II Inc, 5.2500%, 6/1/25	1,284,000	1,444,603
GLP Capital LP / GLP Financing II Inc, 5.3750%, 4/15/26	2,597,000	2,980,499
GLP Capital LP / GLP Financing II Inc, 5.3000%, 1/15/29	344,000	400,285
GLP Capital LP / GLP Financing II Inc, 4.0000%, 1/15/30	4,670,000	5,072,834
GLP Capital LP / GLP Financing II Inc, 4.0000%, 1/15/31	1,839,000	2,006,754
IHS Markit Ltd, 5.0000%, 11/1/22 (144A)	1,475,000	1,577,109
IHS Markit Ltd, 4.7500%, 2/15/25 (144A)	2,588,000	2,969,989
Lowe's Cos Inc, 4.5000%, 4/15/30	5,499,000	6,841,496
Lowe's Cos Inc, 5.0000%, 4/15/40	2,810,000	3,816,420
Marriott International Inc, 5.7500%, 5/1/25	6,416,000	7,503,418
MDC Holdings Inc, 5.5000%, 1/15/24	2,249,000	2,462,655
MGM Resorts International, 7.7500%, 3/15/22	544,000	579,360
Nordstrom Inc, 4.3750%, 4/1/30	5,449,000	5,364,101
O'Reilly Automotive Inc, 3.6000%, 9/1/27	90,000	102,433
O'Reilly Automotive Inc, 4.3500%, 6/1/28	696,000	827,540
O'Reilly Automotive Inc, 3.9000%, 6/1/29	4,040,000	4,748,702
Ross Stores Inc, 1.8750%, 4/15/31	1,942,000	1,948,528
Service Corp International/US, 3.3750%, 8/15/30	2,052,000	2,134,511
		149,970,748
Consumer Non-Cyclical – 2.5%		
Anheuser-Busch Cos LLC / Anheuser-Busch InBev Worldwide Inc, 4.9000%, 2/1/46	4,540,000	5,908,562
Anheuser-Busch InBev Worldwide Inc, 4.3500%, 6/1/40	3,603,000	4,414,893
Aramark Services Inc, 6.3750%, 5/1/25 (144A)	9,706,000	10,373,287
Avantor Funding Inc, 4.6250%, 7/15/28 (144A)	3,985,000	4,214,137
Baxter International Inc, 3.9500%, 4/1/30 (144A)	4,133,000	4,936,856
Boston Scientific Corp, 4.0000%, 3/1/29	1,009,000	1,188,571
Cigna Corp, 3.4000%, 9/17/21	600,000	612,894
Cigna Corp, 2.4000%, 3/15/30	1,946,000	2,073,752
Cigna Corp, 3.2000%, 3/15/40	885,000	969,135
Cigna Corp, 3.4000%, 3/15/50	1,335,000	1,499,443
Coca-Cola Femsa SAB de CV, 2.7500%, 1/22/30	2,607,000	2,810,661
CVS Health Corp, 4.3000%, 3/25/28	1,757,000	2,091,345
CVS Health Corp, 4.1250%, 4/1/40	2,449,000	2,919,950
CVS Health Corp, 2.7000%, 8/21/40	1,926,000	1,945,621
CVS Health Corp, 5.0500%, 3/25/48	2,563,000	3,468,186
CVS Health Corp, 4.2500%, 4/1/50	1,209,000	1,509,681
DaVita Inc, 4.6250%, 6/1/30 (144A)	4,493,000	4,762,580
DaVita Inc, 3.7500%, 2/15/31 (144A)	6,903,000	7,009,030
Diageo Capital PLC, 1.3750%, 9/29/25	3,173,000	3,264,079
Diageo Capital PLC, 2.0000%, 4/29/30	2,989,000	3,115,238
Diageo Capital PLC, 2.1250%, 4/29/32	2,398,000	2,531,498
Elanco Animal Health Inc, 5.2720%, 8/28/23	5,460,000	5,965,050
Fomento Economico Mexicano SAB de CV, 3.5000%, 1/16/50	3,146,000	3,493,324
Hasbro Inc, 3.5500%, 11/19/26	8,044,000	8,975,697
Hasbro Inc, 3.9000%, 11/19/29	8,515,000	9,634,986

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

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	Shares or Principal Amounts	Value
Corporate Bonds– (continued)		
Consumer Non-Cyclical– (continued)		
Hasbro Inc, 5.1000%, 5/15/44	\$1,320,000	\$1,507,866
HCA Inc, 4.7500%, 5/1/23	3,958,000	4,316,227
HCA Inc, 5.3750%, 2/1/25	2,189,000	2,461,596
HCA Inc, 5.8750%, 2/15/26	1,152,000	1,324,800
HCA Inc, 5.3750%, 9/1/26	883,000	1,014,920
HCA Inc, 5.6250%, 9/1/28	2,351,000	2,777,119
HCA Inc, 5.8750%, 2/1/29	1,902,000	2,291,910
HCA Inc, 3.5000%, 9/1/30	6,704,000	7,119,790
JBS USA LUX SA / JBS USA Finance Inc, 6.7500%, 2/15/28 (144A)	2,573,000	2,890,765
JBS USA LUX SA / JBS USA Food Co / JBS USA Finance Inc, 6.5000%, 4/15/29 (144A)	4,122,000	4,798,420
JBS USA LUX SA / JBS USA Food Co / JBS USA Finance Inc, 5.5000%, 1/15/30 (144A)	5,277,000	6,062,007
Mondelez International Inc, 2.7500%, 4/13/30	720,000	790,403
Royalty Pharma PLC, 1.7500%, 9/2/27 (144A)	2,033,000	2,090,996
Royalty Pharma PLC, 2.2000%, 9/2/30 (144A)	393,000	403,352
Royalty Pharma PLC, 3.3000%, 9/2/40 (144A)	3,932,000	4,128,593
Royalty Pharma PLC, 3.5500%, 9/2/50 (144A)	3,923,000	4,179,635
Sysco Corp, 2.5000%, 7/15/21	629,000	635,253
Sysco Corp, 5.9500%, 4/1/30	6,804,000	8,936,425
Sysco Corp, 6.6000%, 4/1/40	3,303,000	4,825,739
Sysco Corp, 6.6000%, 4/1/50	1,572,000	2,417,410
Upjohn Inc, 1.6500%, 6/22/25 (144A)	884,000	913,518
		165,575,200
Electric – 0.8%		
AEP Transmission Co LLC, 3.6500%, 4/1/50	2,835,000	3,430,835
Ameren Corp, 3.5000%, 1/15/31	11,657,000	13,398,035
Black Hills Corp, 2.5000%, 6/15/30	1,743,000	1,829,626
Dominion Energy Inc, 3.3750%, 4/1/30	5,928,000	6,749,028
East Ohio Gas Co/The, 2.0000%, 6/15/30 (144A)	648,000	671,199
NextEra Energy Capital Holdings Inc, 2.7500%, 5/1/25	2,601,000	2,813,291
NRG Energy Inc, 7.2500%, 5/15/26	4,447,000	4,691,585
NRG Energy Inc, 6.6250%, 1/15/27	4,756,000	5,022,526
NRG Energy Inc, 3.3750%, 2/15/29 (144A)	4,783,000	4,896,835
NRG Energy Inc, 3.6250%, 2/15/31 (144A)	5,400,000	5,555,520
PPL WEM Ltd / Western Power Distribution Ltd, 5.3750%, 5/1/21 (144A)	2,553,000	2,562,197
		51,620,677
Energy – 0.8%		
Cheniere Corpus Christi Holdings LLC, 3.7000%, 11/15/29	4,749,000	5,284,334
Cheniere Energy Inc, 4.6250%, 10/15/28 (144A)	10,717,000	11,252,850
Continental Resources Inc, 5.7500%, 1/15/31 (144A)	5,520,000	6,127,090
Energy Transfer Operating LP, 5.8750%, 1/15/24	1,589,000	1,785,669
Energy Transfer Operating LP, 5.5000%, 6/1/27	1,185,000	1,395,980
Energy Transfer Operating LP, 4.9500%, 6/15/28	184,000	211,994
Hess Midstream Operations LP, 5.1250%, 6/15/28 (144A)	6,466,000	6,758,974
Kinder Morgan Inc/DE, 4.3000%, 3/1/28	1,871,000	2,193,355
NGPL PipeCo LLC, 4.3750%, 8/15/22 (144A)	3,174,000	3,306,727
ONEOK Inc, 5.8500%, 1/15/26	1,593,000	1,907,653
ONEOK Inc, 6.3500%, 1/15/31	3,407,000	4,365,957
ONEOK Inc, 7.1500%, 1/15/51	890,000	1,229,697
TransCanada PipeLines Ltd, 4.1000%, 4/15/30	7,412,000	8,752,622
		54,572,902
Finance Companies – 0.2%		
Quicken Loans LLC, 3.6250%, 3/1/29 (144A)	4,435,000	4,523,700
Quicken Loans LLC, 3.8750%, 3/1/31 (144A)	6,482,000	6,725,075
USAA Capital Corp, 2.1250%, 5/1/30 (144A)	284,000	298,459
		11,547,234
Financial Institutions – 0%		
Jones Lang LaSalle Inc, 4.4000%, 11/15/22	2,938,000	3,111,893

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

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December 31, 2020

	Shares or Principal Amounts	Value
Corporate Bonds– (continued)		
Industrial Conglomerates – 0.1%		
General Electric Co, ICE LIBOR USD 3 Month + 3.3300%, 5.0000% ^{†,‡}	\$5,540,000	\$5,137,020
Information Technology Services – 0.1%		
Booz Allen Hamilton Inc, 3.8750%, 9/1/28 (144A)	5,412,000	5,574,360
Insurance – 0.8%		
Brown & Brown Inc, 4.5000%, 3/15/29	2,493,000	2,949,716
Brown & Brown Inc, 2.3750%, 3/15/31	955,000	998,927
Centene Corp, 5.3750%, 6/1/26 (144A)	6,910,000	7,288,046
Centene Corp, 4.2500%, 12/15/27	5,363,000	5,684,780
Centene Corp, 4.6250%, 12/15/29	8,060,000	8,948,293
Centene Corp, 3.3750%, 2/15/30	3,535,000	3,719,138
Molina Healthcare Inc, 4.3750%, 6/15/28 (144A)	13,333,000	14,032,982
Prudential Financial Inc,		
US Treasury Yield Curve Rate 5 Year + 3.0350%, 3.7000%, 10/1/50 [†]	7,720,000	8,166,062
		51,787,944
Real Estate Investment Trusts (REITs) – 0.5%		
Agree LP, 2.9000%, 10/1/30	2,058,000	2,184,986
Alexandria Real Estate Equities Inc, 4.9000%, 12/15/30	4,758,000	6,051,692
MPT Operating Partnership LP/MPT Finance Corp, 5.0000%, 10/15/27	1,631,000	1,734,976
MPT Operating Partnership LP/MPT Finance Corp, 4.6250%, 8/1/29	1,481,000	1,592,075
MPT Operating Partnership LP/MPT Finance Corp, 3.5000%, 3/15/31	16,610,000	17,149,825
WP Carey Inc, 2.4000%, 2/1/31	4,073,000	4,227,547
		32,941,101
Technology – 3.0%		
Analog Devices Inc, 2.9500%, 4/1/25	2,815,000	3,071,833
Broadcom Inc, 4.7000%, 4/15/25	7,427,000	8,509,518
Broadcom Inc, 3.1500%, 11/15/25	6,292,000	6,865,296
Broadcom Inc, 4.1500%, 11/15/30	5,187,000	5,995,985
Broadcom Inc, 4.3000%, 11/15/32	4,150,000	4,916,712
Broadridge Financial Solutions Inc, 2.9000%, 12/1/29	5,355,000	5,862,753
CoStar Group Inc, 2.8000%, 7/15/30 (144A)	6,989,000	7,257,880
Dell International LLC / EMC Corp, 5.8750%, 6/15/21 (144A)	5,481,000	5,490,866
Equifax Inc, 2.6000%, 12/1/24	6,943,000	7,435,028
Equifax Inc, 2.6000%, 12/15/25	4,708,000	5,080,643
Equifax Inc, 3.1000%, 5/15/30	4,291,000	4,770,539
Equinix Inc, 2.9000%, 11/18/26	1,688,000	1,845,640
Equinix Inc, 1.8000%, 7/15/27	5,872,000	6,042,068
Equinix Inc, 3.2000%, 11/18/29	3,797,000	4,183,010
Equinix Inc, 2.1500%, 7/15/30	2,665,000	2,709,193
Gartner Inc, 3.7500%, 10/1/30 (144A)	1,038,000	1,089,900
Global Payments Inc, 3.2000%, 8/15/29	1,143,000	1,268,662
Global Payments Inc, 2.9000%, 5/15/30	4,310,000	4,686,332
Keysight Technologies Inc, 3.0000%, 10/30/29	4,569,000	5,041,990
Leidos Inc, 2.9500%, 5/15/23 (144A)	808,000	850,102
Leidos Inc, 3.6250%, 5/15/25 (144A)	3,135,000	3,505,212
Leidos Inc, 4.3750%, 5/15/30 (144A)	4,468,000	5,350,207
Leidos Inc, 2.3000%, 2/15/31 (144A)	3,675,000	3,741,881
Marvell Technology Group Ltd, 4.2000%, 6/22/23	1,361,000	1,472,728
Marvell Technology Group Ltd, 4.8750%, 6/22/28	6,730,000	7,946,361
Microchip Technology Inc, 2.6700%, 9/1/23 (144A)	6,452,000	6,747,453
Microchip Technology Inc, 4.2500%, 9/1/25 (144A)	5,055,000	5,347,490
MSCI Inc, 4.0000%, 11/15/29 (144A)	422,000	449,430
MSCI Inc, 3.6250%, 9/1/30 (144A)	3,328,000	3,477,760
MSCI Inc, 3.8750%, 2/15/31 (144A)	6,019,000	6,365,092
PayPal Holdings Inc, 1.6500%, 6/1/25	2,243,000	2,342,972
PayPal Holdings Inc, 2.6500%, 10/1/26	6,511,000	7,155,095
PayPal Holdings Inc, 2.3000%, 6/1/30	2,592,000	2,774,039
Qorvo Inc, 3.3750%, 4/1/31 (144A)	5,951,000	6,144,407
Sensata Technologies Inc, 3.7500%, 2/15/31 (144A)	6,563,000	6,803,075
Total System Services Inc, 4.8000%, 4/1/26	3,189,000	3,794,351

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

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December 31, 2020

	Shares or Principal Amounts	Value
Corporate Bonds– (continued)		
Technology– (continued)		
Trimble Inc, 4.7500%, 12/1/24	\$5,510,000	\$6,296,718
Trimble Inc, 4.9000%, 6/15/28	9,681,000	11,579,379
Verisk Analytics Inc, 5.5000%, 6/15/45	1,616,000	2,286,527
Verisk Analytics Inc, 3.6250%, 5/15/50	2,972,000	3,457,548
VMware Inc, 4.5000%, 5/15/25	5,017,000	5,740,743
VMware Inc, 4.6500%, 5/15/27	5,629,000	6,584,309
		202,336,727
Total Corporate Bonds (cost \$1,205,869,544)		1,311,028,620
Inflation-Indexed Bonds– 1.1%		
United States Treasury Inflation Indexed Bonds, 0.1250%, 10/15/25 ^{CP} (cost \$74,293,563)	69,518,084	75,574,743
Mortgage-Backed Securities– 5.3%		
Fannie Mae:		
1.5000%, TBA, 15 Year Maturity	1,180,441	1,214,615
2.0000%, TBA, 15 Year Maturity	10,750,785	11,244,891
2.5000%, TBA, 15 Year Maturity	8,099,200	8,443,416
2.0000%, TBA, 30 Year Maturity	44,105,761	45,840,441
2.5000%, TBA, 30 Year Maturity	29,964,385	31,594,448
		98,337,811
Fannie Mae Pool:		
3.0000%, 10/1/34	676,067	721,170
2.5000%, 11/1/34	425,207	452,207
3.0000%, 11/1/34	240,412	259,498
3.0000%, 12/1/34	247,187	265,221
6.0000%, 2/1/37	89,689	106,385
4.5000%, 11/1/42	512,620	572,992
3.0000%, 1/1/43	283,075	302,012
3.0000%, 2/1/43	82,276	88,249
3.0000%, 5/1/43	2,906,780	3,070,376
3.0000%, 5/1/43	615,719	662,028
3.5000%, 4/1/44	1,066,764	1,181,373
5.0000%, 7/1/44	67,789	76,837
4.5000%, 10/1/44	1,241,497	1,402,446
4.5000%, 3/1/45	1,896,341	2,142,182
4.5000%, 6/1/45	1,124,488	1,254,035
3.5000%, 12/1/45	939,251	1,007,751
3.5000%, 12/1/45	741,323	815,043
3.0000%, 1/1/46	109,234	115,382
4.5000%, 2/1/46	2,450,765	2,739,395
3.5000%, 7/1/46	1,337,956	1,460,907
3.0000%, 9/1/46	7,142,288	7,619,669
3.0000%, 2/1/47	23,223,212	24,775,420
3.0000%, 3/1/47	2,392,080	2,566,082
3.5000%, 3/1/47	805,212	863,937
3.5000%, 7/1/47	669,876	718,731
3.5000%, 8/1/47	592,234	629,434
3.5000%, 8/1/47	395,545	438,250
3.5000%, 12/1/47	2,031,536	2,172,592
3.5000%, 12/1/47	205,424	227,602
3.5000%, 12/1/47	112,186	124,297
3.5000%, 1/1/48	1,464,721	1,566,421
3.5000%, 1/1/48	1,408,132	1,505,515
4.0000%, 1/1/48	5,535,400	5,984,805
4.0000%, 1/1/48	4,956,324	5,360,693
3.0000%, 2/1/48	1,102,173	1,190,252
3.5000%, 3/1/48	944,805	1,009,945
3.5000%, 3/1/48	180,482	200,204
4.0000%, 3/1/48	1,804,999	1,950,037

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Janus Henderson VIT Balanced Portfolio

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	Shares or Principal Amounts	Value
Mortgage-Backed Securities– (continued)		
Fannie Mae Pool– (continued)		
4.5000%, 3/1/48	\$77,321	\$84,079
3.5000%, 4/1/48	1,842,699	2,030,552
3.0000%, 5/1/48	545,012	581,609
5.0000%, 5/1/48	1,485,787	1,645,628
3.5000%, 7/1/48	19,723,620	20,939,455
4.5000%, 8/1/48	46,001	49,824
3.0000%, 11/1/48	2,813,639	2,974,244
3.5000%, 11/1/48	3,090,216	3,405,246
4.0000%, 2/1/49	906,518	966,853
3.0000%, 8/1/49	1,433,608	1,541,000
3.0000%, 9/1/49	284,883	302,586
2.5000%, 1/1/50	656,116	696,059
2.5000%, 10/1/50	1,182,159	1,249,314
3.5000%, 8/1/56	4,357,019	4,822,157
3.0000%, 2/1/57	4,103,835	4,450,988
3.0000%, 6/1/57	77,715	84,252
		123,423,221
Freddie Mac Gold Pool:		
3.5000%, 1/1/47	531,395	576,733
Freddie Mac Pool:		
3.0000%, 5/1/31	5,634,306	5,986,879
3.0000%, 9/1/32	1,244,592	1,331,364
3.0000%, 10/1/32	629,052	663,249
3.0000%, 1/1/33	719,616	769,787
2.5000%, 12/1/33	6,126,761	6,419,594
3.0000%, 10/1/34	1,260,434	1,351,956
3.0000%, 10/1/34	514,565	548,821
2.5000%, 11/1/34	1,751,115	1,862,640
2.5000%, 11/1/34	356,977	379,712
6.0000%, 4/1/40	1,453,943	1,727,594
3.5000%, 7/1/42	251,686	273,161
3.5000%, 8/1/42	326,646	354,517
3.5000%, 8/1/42	272,317	295,553
3.5000%, 2/1/43	877,986	956,163
3.0000%, 3/1/43	2,640,608	2,818,486
3.0000%, 6/1/43	239,567	251,500
3.5000%, 2/1/44	895,812	975,576
4.5000%, 5/1/44	441,050	491,917
3.5000%, 12/1/44	5,472,804	5,938,162
3.0000%, 1/1/45	1,530,310	1,629,837
3.0000%, 1/1/46	195,569	213,727
3.5000%, 7/1/46	6,448,955	7,091,721
3.5000%, 7/1/46	1,209,326	1,296,947
3.0000%, 8/1/46	417,053	440,813
3.0000%, 10/1/46	2,760,171	2,940,296
4.0000%, 3/1/47	547,265	597,622
3.0000%, 4/1/47	520,744	550,413
3.5000%, 4/1/47	213,738	233,584
3.5000%, 9/1/47	2,132,616	2,259,872
3.5000%, 11/1/47	1,744,156	1,872,594
3.5000%, 12/1/47	3,095,893	3,377,360
3.5000%, 12/1/47	1,360,162	1,454,809
3.5000%, 2/1/48	1,470,453	1,571,504
3.5000%, 2/1/48	1,169,883	1,250,609
4.0000%, 3/1/48	1,504,749	1,625,627
4.5000%, 3/1/48	61,833	66,972
4.0000%, 4/1/48	2,242,350	2,391,552
4.0000%, 4/1/48	1,393,808	1,505,226
4.0000%, 5/1/48	2,538,478	2,707,385

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Schedule of Investments

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	Shares or Principal Amounts	Value
Mortgage-Backed Securities– (continued)		
Freddie Mac Pool– (continued)		
4.5000%, 7/1/48	\$557,137	\$605,828
5.0000%, 9/1/48	175,210	194,591
4.5000%, 12/1/48	1,112,507	1,225,853
3.0000%, 8/1/49	1,195,836	1,273,554
3.0000%, 8/1/49	399,538	429,488
3.0000%, 12/1/49	840,899	879,853
3.0000%, 12/1/49	728,640	762,393
2.5000%, 1/1/50	276,932	293,832
3.0000%, 3/1/50	861,638	908,391
3.5000%, 3/1/50	470,428	508,396
		75,557,280
Ginnie Mae:		
2.0000%, TBA, 30 Year Maturity	4,078,122	4,263,065
2.5000%, TBA, 30 Year Maturity	20,540,500	21,745,611
		26,008,676
Ginnie Mae I Pool:		
4.0000%, 1/15/45	5,064,829	5,585,479
4.5000%, 8/15/46	5,174,992	5,869,872
4.0000%, 7/15/47	1,581,374	1,714,154
4.0000%, 8/15/47	344,292	373,200
4.0000%, 11/15/47	613,901	665,448
4.0000%, 12/15/47	721,170	781,723
		14,989,876
Ginnie Mae II Pool:		
4.0000%, 8/20/47	608,232	659,878
4.0000%, 8/20/47	156,538	172,066
4.0000%, 8/20/47	90,372	98,046
4.5000%, 2/20/48	836,734	912,057
4.0000%, 5/20/48	427,489	459,922
4.5000%, 5/20/48	2,631,520	2,834,038
4.5000%, 5/20/48	353,580	380,790
4.0000%, 6/20/48	4,279,206	4,599,852
5.0000%, 8/20/48	3,238,708	3,525,806
		13,642,455
Total Mortgage-Backed Securities (cost \$342,309,920)		352,536,052
United States Treasury Notes/Bonds– 4.8%		
1.1250%, 2/28/22	75,540,600	76,431,743
0.2500%, 6/30/25	4,683,300	4,670,494
0.3750%, 11/30/25	25,950,000	25,980,410
0.8750%, 11/15/30	36,856,700	36,712,728
1.1250%, 5/15/40	3,805,000	3,606,427
1.3750%, 11/15/40	7,847,000	7,745,234
2.7500%, 8/15/42	33,107,500	40,976,997
1.2500%, 5/15/50	85,083,400	77,013,771
1.3750%, 8/15/50	48,052,700	44,899,242
Total United States Treasury Notes/Bonds (cost \$317,239,883)		318,037,046
Common Stocks– 62.5%		
Aerospace & Defense – 1.0%		
General Dynamics Corp	300,996	44,794,225
L3Harris Technologies Inc	99,203	18,751,351
		63,545,576
Air Freight & Logistics – 0.7%		
United Parcel Service Inc	276,854	46,622,214
Airlines – 0%		
Southwest Airlines Co	71,012	3,309,869
Banks – 0.9%		
Bank of America Corp	1,922,415	58,268,399

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– (continued)		
Beverages – 0.8%		
Monster Beverage Corp*	557,991	\$51,603,008
Biotechnology – 0.8%		
AbbVie Inc	528,477	56,626,311
Capital Markets – 2.7%		
Blackstone Group Inc	738,276	47,847,668
CME Group Inc	260,286	47,385,066
Morgan Stanley	1,043,225	71,492,209
S&P Global Inc	51,709	16,998,300
		183,723,243
Chemicals – 0.5%		
Sherwin-Williams Co	41,443	30,456,875
Communications Equipment – 0.4%		
Motorola Solutions Inc	145,978	24,825,019
Consumer Finance – 0.7%		
American Express Co	380,282	45,979,897
Electronic Equipment, Instruments & Components – 0.4%		
Corning Inc	766,642	27,599,112
Entertainment – 1.4%		
Activision Blizzard Inc	322,317	29,927,133
Walt Disney Co*	344,012	62,328,094
		92,255,227
Equity Real Estate Investment Trusts (REITs) – 0.3%		
Crown Castle International Corp	125,427	19,966,724
Food & Staples Retailing – 1.6%		
Costco Wholesale Corp	219,857	82,837,720
Sysco Corp	284,258	21,108,999
		103,946,719
Food Products – 0.5%		
Hershey Co	202,824	30,896,180
Health Care Equipment & Supplies – 2.4%		
Abbott Laboratories	601,438	65,851,447
Edwards Lifesciences Corp*	77,036	7,027,994
Intuitive Surgical Inc*	25,137	20,564,580
Medtronic PLC	397,388	46,550,030
Stryker Corp	93,569	22,928,148
		162,922,199
Health Care Providers & Services – 2.1%		
UnitedHealth Group Inc	397,148	139,271,861
Hotels, Restaurants & Leisure – 2.6%		
Hilton Worldwide Holdings Inc	344,131	38,288,015
McDonald's Corp	438,854	94,169,291
Starbucks Corp	396,874	42,457,580
		174,914,886
Household Products – 1.1%		
Clorox Co	69,958	14,125,919
Procter & Gamble Co	409,753	57,013,032
		71,138,951
Industrial Conglomerates – 1.2%		
Honeywell International Inc	377,585	80,312,329
Information Technology Services – 4.3%		
Accenture PLC	379,108	99,026,801
Fidelity National Information Services Inc	123,665	17,493,651
Mastercard Inc	472,352	168,601,323
		285,121,775
Insurance – 1.6%		
Marsh & McLennan Cos Inc	160,848	18,819,216
Progressive Corp	886,204	87,627,851
		106,447,067

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– (continued)		
Interactive Media & Services – 2.6%		
Alphabet Inc - Class C*	99,024	\$173,478,165
Internet & Direct Marketing Retail – 3.6%		
Amazon.com Inc*	64,096	208,756,185
Booking Holdings Inc*	15,665	34,890,185
		243,646,370
Leisure Products – 0.5%		
Hasbro Inc	376,269	35,196,202
Life Sciences Tools & Services – 1.3%		
Illumina Inc*	64,632	23,913,840
Thermo Fisher Scientific Inc	132,841	61,874,681
		85,788,521
Machinery – 0.9%		
Deere & Co	224,512	60,404,954
Media – 1.4%		
Comcast Corp	1,819,783	95,356,629
Multiline Retail – 0.9%		
Dollar General Corp	287,560	60,473,868
Personal Products – 0.3%		
Estee Lauder Cos Inc	64,313	17,119,477
Pharmaceuticals – 3.4%		
Bristol-Myers Squibb Co	987,784	61,272,241
Eli Lilly & Co	455,807	76,958,454
Merck & Co Inc	1,118,336	91,479,885
		229,710,580
Real Estate Management & Development – 0.4%		
CBRE Group Inc*	471,033	29,543,190
Road & Rail – 0.6%		
CSX Corp	471,335	42,773,651
Semiconductor & Semiconductor Equipment – 4.3%		
Advanced Micro Devices Inc*	102,806	9,428,338
Lam Research Corp	205,666	97,129,882
NVIDIA Corp	145,134	75,788,975
QUALCOMM Inc	260,438	39,675,125
Texas Instruments Inc	377,343	61,933,307
		283,955,627
Software – 7.6%		
Adobe Inc*	267,940	134,002,153
Microsoft Corp	1,441,907	320,809,780
salesforce.com Inc*	227,828	50,698,565
		505,510,498
Specialty Retail – 1.7%		
Home Depot Inc	432,078	114,768,558
Technology Hardware, Storage & Peripherals – 3.6%		
Apple Inc	1,821,794	241,733,846
Textiles, Apparel & Luxury Goods – 1.0%		
NIKE Inc	487,865	69,018,262
Wireless Telecommunication Services – 0.4%		
T-Mobile US Inc*	183,902	24,799,185
Total Common Stocks (cost \$2,435,790,811)		4,173,031,024
Preferred Stocks– 0.3%		
Banks – 0.3%		
First Republic Bank/CA, 4.1250% ^u	286,925	7,586,297
Truist Financial Corp, 4.7500% ^u	328,875	9,099,971
Total Preferred Stocks (cost \$15,395,000)		16,686,268

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Investment Companies— 2.7%		
Money Markets — 2.7%		
Janus Henderson Cash Liquidity Fund LLC, 0.1108% [∞] (cost \$182,253,696)	182,240,738	\$182,258,962
Total Investments (total cost \$4,931,416,784) — 101.7%		6,795,724,738
Liabilities, net of Cash, Receivables and Other Assets — (1.7)%		(114,393,238)
Net Assets — 100%		\$6,681,331,500

Summary of Investments by Country - (Long Positions) (unaudited)

Country	Value	% of Investment Securities
United States	\$6,654,904,882	97.9 %
United Kingdom	54,267,865	0.8
France	22,658,719	0.3
Canada	19,422,599	0.3
Switzerland	15,506,932	0.2
Belgium	10,323,455	0.2
Australia	7,382,387	0.1
Mexico	6,303,985	0.1
Spain	4,953,914	0.1
Total	\$6,795,724,738	100.0 %

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	Realized Gain/(Loss)	Change in Unrealized Appreciation/ Depreciation	Value at 12/31/20
Investment Companies - 2.7%				
Money Markets - 2.7%				
Janus Henderson Cash Liquidity Fund LLC, 0.1108% [∞]	\$ 716,444	\$ (3,358)	\$ 5,668	\$ 182,258,962

	Value at 12/31/19	Purchases	Sales Proceeds	Value at 12/31/20
Investment Companies - 2.7%				
Money Markets - 2.7%				
Janus Henderson Cash Liquidity Fund LLC, 0.1108% [∞]	105,128,872	1,889,317,681	(1,812,189,901)	182,258,962

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Notes to Schedule of Investments and Other Information

Balanced Index	Balanced Index is an internally-calculated, hypothetical combination of total returns from the S&P 500 [®] Index (55%) and the Bloomberg Barclays U.S. Aggregate Bond Index (45%).
Bloomberg Barclays U.S. Aggregate Bond Index	Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based measure of the investment grade, US dollar-denominated, fixed-rate taxable bond market.
S&P 500 [®] Index	S&P 500 [®] Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.
ICE	Intercontinental Exchange
LIBOR	London Interbank Offered Rate
LLC	Limited Liability Company
LP	Limited Partnership
PLC	Public Limited Company
SOFR	Secured Overnight Financing Rate
TBA	(To Be Announced) Securities are purchased/sold on a forward commitment basis with an approximate principal amount and no defined maturity date. The actual principal and maturity date will be determined upon settlement when specific mortgage pools are assigned.
144A	Securities sold under Rule 144A of the Securities Act of 1933, as amended, are subject to legal and/or contractual restrictions on resale and may not be publicly sold without registration under the 1933 Act. Unless otherwise noted, these securities have been determined to be liquid under guidelines established by the Board of Trustees. The total value of 144A securities as of the year ended December 31, 2020 is \$673,353,732, which represents 10.1% of net assets.
*	Non-income producing security.
‡	Variable or floating rate security. Rate shown is the current rate as of December 31, 2020. Certain variable rate securities are not based on a published reference rate and spread; they are determined by the issuer or agent and current market conditions. Reference rate is as of reset date and may vary by security, which may not indicate a reference rate and/or spread in their description.
ÇÇ	Security is a U.S. Treasury Inflation-Protected Security (TIPS).
°°	Rate shown is the 7-day yield as of December 31, 2020.
μ	Perpetual security. Perpetual securities have no stated maturity date, but they may be called/redeemed by the issuer. The date indicated, if any, represents the next call date.
Ç	Step bond. The coupon rate will increase or decrease periodically based upon a predetermined schedule. The rate shown reflects the current rate.
£	The Portfolio may invest in certain securities that are considered affiliated companies. As defined by the Investment Company Act of 1940, as amended, an affiliated company is one in which the Portfolio owns 5% or more of the outstanding voting securities, or a company which is under common ownership or control.

Janus Henderson VIT Balanced Portfolio

Notes to Schedule of Investments and Other Information

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of December 31, 2020. See Notes to Financial Statements for more information.

Valuation Inputs Summary

		<i>Level 1 - Quoted Prices</i>	<i>Level 2 - Other Significant Observable Inputs</i>	<i>Level 3 - Significant Unobservable Inputs</i>
Assets				
Investments In Securities:				
<i>Asset-Backed/Commercial Mortgage-Backed Securities</i>	\$	-	\$ 357,398,963	\$ -
<i>Bank Loans and Mezzanine Loans</i>		-	9,173,060	-
<i>Corporate Bonds</i>		-	1,311,028,620	-
<i>Inflation-Indexed Bonds</i>		-	75,574,743	-
<i>Mortgage-Backed Securities</i>		-	352,536,052	-
<i>United States Treasury Notes/Bonds</i>		-	318,037,046	-
<i>Common Stocks</i>		4,173,031,024	-	-
<i>Preferred Stocks</i>		-	16,686,268	-
<i>Investment Companies</i>		-	182,258,962	-
Total Assets	\$	4,173,031,024	\$ 2,622,693,714	\$ -

Janus Henderson VIT Balanced Portfolio

Statement of Assets and Liabilities

December 31, 2020

Assets:		
Unaffiliated investments, at value ⁽¹⁾	\$	6,613,465,776
Affiliated investments, at value ⁽²⁾		182,258,962
Cash		742
Non-interested Trustees' deferred compensation		153,670
Receivables:		
Interest		13,488,088
Portfolio shares sold		4,732,515
Dividends		2,680,373
Investments sold		89,105
Dividends from affiliates		18,586
Other assets		39,435
Total Assets		6,816,927,252
Liabilities:		
Payables:		
Investments purchased		129,298,600
Advisory fees		3,346,044
12b-1 Distribution and shareholder servicing fees		1,414,585
Portfolio shares repurchased		559,508
Transfer agent fees and expenses		322,675
Non-interested Trustees' deferred compensation fees		153,670
Professional fees		54,439
Affiliated portfolio administration fees payable		15,209
Non-interested Trustees' fees and expenses		8,249
Custodian fees		6,486
Accrued expenses and other payables		416,287
Total Liabilities		135,595,752
Net Assets	\$	6,681,331,500
Net Assets Consist of:		
Capital (par value and paid-in surplus)	\$	4,769,239,748
Total distributable earnings (loss)		1,912,091,752
Total Net Assets	\$	6,681,331,500
Net Assets - Institutional Shares	\$	464,280,285
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		10,652,454
Net Asset Value Per Share	\$	43.58
Net Assets - Service Shares	\$	6,217,051,215
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		134,835,939
Net Asset Value Per Share	\$	46.11

(1) Includes cost of \$4,749,163,088.

(2) Includes cost of \$182,253,696.

See Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Statement of Operations

For the year ended December 31, 2020

Investment Income:		
Interest	\$	63,965,433
Dividends		57,235,560
Dividends from affiliates		716,444
Other income		362,133
Foreign tax withheld		(76,198)
Total Investment Income		122,203,372
Expenses:		
Advisory fees		31,406,892
12b-1 Distribution and shareholder servicing fees:		
Service Shares		13,183,407
Transfer agent administrative fees and expenses:		
Institutional Shares		216,736
Service Shares		2,638,436
Other transfer agent fees and expenses:		
Institutional Shares		20,591
Service Shares		110,092
Affiliated portfolio administration fees		142,759
Non-interested Trustees' fees and expenses		109,477
Professional fees		82,514
Custodian fees		49,838
Shareholder reports expense		34,134
Registration fees		23,486
Other expenses		343,327
Total Expenses		48,361,689
Net Investment Income/(Loss)		73,841,683
Net Realized Gain/(Loss) on Investments:		
Investments and foreign currency transactions		57,041,086
Investments in affiliates		(3,358)
Total Net Realized Gain/(Loss) on Investments		57,037,728
Change in Unrealized Net Appreciation/Depreciation:		
Investments and non-interested Trustees' deferred compensation		675,804,153
Investments in affiliates		5,668
Total Change in Unrealized Net Appreciation/Depreciation		675,809,821
Net Increase/(Decrease) in Net Assets Resulting from Operations	\$	806,689,232

See Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Statements of Changes in Net Assets

	Year ended		Year ended	
	December 31, 2020		December 31, 2019	
Operations:				
Net investment income/(loss)	\$	73,841,683	\$	80,027,111
Net realized gain/(loss) on investments		57,037,728		87,916,180
Change in unrealized net appreciation/depreciation		675,809,821		729,551,886
Net Increase/(Decrease) in Net Assets Resulting from Operations		806,689,232		897,495,177
Dividends and Distributions to Shareholders:				
Institutional Shares		(14,605,878)		(19,713,876)
Service Shares		(160,131,796)		(174,336,200)
Net Decrease from Dividends and Distributions to Shareholders		(174,737,674)		(194,050,076)
Capital Share Transactions:				
Institutional Shares		(25,132,978)		(23,374,008)
Service Shares		782,520,443		763,429,463
Net Increase/(Decrease) from Capital Share Transactions		757,387,465		740,055,455
Net Increase/(Decrease) in Net Assets		1,389,339,023		1,443,500,556
Net Assets:				
Beginning of period		5,291,992,477		3,848,491,921
End of period	\$	6,681,331,500	\$	5,291,992,477

See Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$39.48	\$33.75	\$35.27	\$30.32	\$30.08
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	0.61	0.74	0.66	0.64	0.58
Net realized and unrealized gain/(loss)	4.86	6.74	(0.42)	4.92	0.77
Total from Investment Operations	5.47	7.48	0.24	5.56	1.35
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.73)	(0.72)	(0.77)	(0.54)	(0.67)
Distributions (from capital gains)	(0.64)	(1.03)	(0.99)	(0.07)	(0.44)
Total Dividends and Distributions	(1.37)	(1.75)	(1.76)	(0.61)	(1.11)
Net Asset Value, End of Period	\$43.58	\$39.48	\$33.75	\$35.27	\$30.32
Total Return*	14.31%	22.59%	0.68%	18.43%	4.60%
Net Assets, End of Period (in thousands)	\$464,280	\$446,026	\$402,796	\$429,403	\$403,833
Average Net Assets for the Period (in thousands)	\$430,893	\$426,775	\$429,843	\$417,575	\$413,338
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.62%	0.62%	0.63%	0.63%	0.62%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.62%	0.62%	0.63%	0.63%	0.62%
Ratio of Net Investment Income/(Loss)	1.54%	1.99%	1.85%	1.94%	1.94%
Portfolio Turnover Rate	80% ⁽²⁾	79% ⁽²⁾	97% ⁽²⁾	67% ⁽²⁾	80%

Service Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$41.70	\$35.59	\$37.09	\$31.89	\$31.61
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	0.54	0.68	0.60	0.58	0.53
Net realized and unrealized gain/(loss)	5.15	7.11	(0.44)	5.17	0.80
Total from Investment Operations	5.69	7.79	0.16	5.75	1.33
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.64)	(0.65)	(0.67)	(0.48)	(0.61)
Distributions (from capital gains)	(0.64)	(1.03)	(0.99)	(0.07)	(0.44)
Total Dividends and Distributions	(1.28)	(1.68)	(1.66)	(0.55)	(1.05)
Net Asset Value, End of Period	\$46.11	\$41.70	\$35.59	\$37.09	\$31.89
Total Return*	14.05%	22.27%	0.43%	18.13%	4.32%
Net Assets, End of Period (in thousands)	\$6,217,051	\$4,845,966	\$3,445,696	\$2,887,613	\$2,227,878
Average Net Assets for the Period (in thousands)	\$5,239,258	\$4,109,486	\$3,235,435	\$2,523,514	\$1,938,234
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.87%	0.87%	0.88%	0.88%	0.87%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.87%	0.87%	0.88%	0.88%	0.87%
Ratio of Net Investment Income/(Loss)	1.28%	1.74%	1.62%	1.69%	1.71%
Portfolio Turnover Rate	80% ⁽²⁾	79% ⁽²⁾	97% ⁽²⁾	67% ⁽²⁾	80%

* Total return includes adjustments in accordance with generally accepted accounting principles required at the year or period end and are not annualized for periods of less than one full year. Total return does not include fees, charges, or expenses imposed by the variable annuity and life insurance contracts for which Janus Aspen Series serves as an underlying investment vehicle.

** Annualized for periods of less than one full year.

(1) Per share amounts are calculated based on average shares outstanding during the year or period.

(2) Portfolio Turnover Rate excludes TBA (to be announced) purchase and sales commitments.

See Notes to Financial Statements.

Janus Henderson VIT Balanced Portfolio

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Janus Henderson VIT Balanced Portfolio (the "Portfolio") is a series of Janus Aspen Series (the "Trust"), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and therefore has applied the specialized accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946. The Trust offers 11 portfolios, each of which offers multiple share classes, with differing investment objectives and policies. The Portfolio seeks long-term capital growth, consistent with preservation of capital and balanced by current income. The Portfolio is classified as diversified, as defined in the 1940 Act.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Each class represents an interest in the same portfolio of investments. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

Shareholders, including other portfolios, participating insurance companies, as well as accounts, may from time to time own (beneficially or of record) a significant percentage of the Portfolio's Shares and can be considered to "control" the Portfolio when that ownership exceeds 25% of the Portfolio's assets (and which may differ from control as determined in accordance with United States of America generally accepted accounting 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

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market participants would use in pricing an asset or liability and establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. These inputs are summarized into three broad levels:

Level 1 – Unadjusted quoted prices in active markets the Portfolio has the ability to access for identical assets or liabilities.

Level 2 – Observable inputs other than unadjusted quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Assets or liabilities categorized as Level 2 in the hierarchy generally include: debt securities fair valued in accordance with the evaluated bid or ask prices supplied by a pricing service; securities traded on OTC markets and listed securities for which no sales are reported that are fair valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees; certain short-term debt securities with maturities of 60 days or less that are fair valued at amortized cost; and equity securities of foreign issuers whose fair value is determined by using systematic fair valuation models provided by independent third parties in order to adjust for stale pricing which may occur between the close of certain foreign exchanges and the close of the NYSE. Other securities that may be categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, swaps, investments in unregistered investment companies, options, and forward contracts.

Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Portfolio's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for fair valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2020 to fair value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" in the Notes to Schedule of Investments and Other Information.

Investment Transactions and Investment Income

Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Portfolio is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Interest income is recorded daily on the accrual basis and includes amortization of premiums and accretion of discounts. The Portfolio classifies gains and losses on prepayments received as an adjustment to interest income. Debt securities may be placed in non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivables when collection of all or a portion of interest has become doubtful. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes. Income, as well as gains and losses, both realized and unrealized, are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets.

Expenses

The Portfolio bears expenses incurred specifically on its behalf. Each class of shares bears a portion of general expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

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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

The Portfolio may be invested in lower-rated debt securities that have a higher risk of default or loss of value since these securities may be sensitive to economic changes, political changes, or adverse developments specific to the issuer.

In the aftermath of the 2007-2008 financial crisis, the financial sector experienced reduced liquidity in credit and other fixed-income markets, and an unusually high degree of volatility, both domestically and internationally. In response to the crisis, the United States and certain foreign governments, along with the U.S. Federal Reserve and certain foreign central banks, took a number of unprecedented steps designed to support the financial markets. For example, the enactment of the Dodd-Frank Act in 2010 provided for widespread regulation of financial institutions, consumer financial products and services, broker-dealers, over-the-counter derivatives, investment advisers, credit rating agencies, and mortgage lending, which expanded federal oversight in the financial sector, including the investment management industry. More recently, in response to the COVID-19 pandemic, the U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets, including reducing interest rates to record-low levels. Extremely low or negative interest rates may become more prevalent or may not work as intended. As there is little precedent for this situation, the impact on various markets that interest rate or other significant policy changes may have is unknown. The withdrawal of this support, a failure of measures put in place in response to such economic uncertainty, or investor perception that

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such efforts were not sufficient could each negatively affect financial markets generally, and the value and liquidity of specific securities. In addition, policy and legislative changes in the United States and in other countries continue to impact many aspects of financial regulation.

Widespread disease, including pandemics and epidemics, and natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Fund's investments. Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries, including the United States. These disruptions could prevent a Fund from executing advantageous investment decisions in a timely manner and negatively impact a Fund's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Fund. In addition, these disruptions could also impair the information technology and other operational systems upon which the Fund's service providers, including Janus Capital Management LLC ("Janus Capital") or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Fund's service providers to perform essential tasks on behalf of the Fund. Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance and reinsurance companies that insure or reinsure against the impact of natural disasters.

A number of countries in the European Union (the "EU") have experienced, and may continue to experience, severe economic and financial difficulties. In particular, many EU nations are susceptible to economic risks associated with high levels of debt. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts. Many other issuers have faced difficulties obtaining credit or refinancing existing obligations. Financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit. As a result, financial markets in the EU have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen, or spread further within the EU. Responses to these financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest, and may limit future growth and economic recovery or have other unintended consequences. The risk of investing in securities in the European markets may also be heightened due to the referendum in which the United Kingdom voted to exit the EU, commonly known as "Brexit," which immediately led to significant market volatility around the world, as well as political, economic and legal uncertainty. The United Kingdom formally left the EU on January 31, 2020 and entered into an eleven-month transition period, which expired on December 31, 2020. The negative impact on not only the United Kingdom and European economies could be significant, potentially resulting in increased volatility and illiquidity and lower economic growth for companies that rely significantly on the United Kingdom and/or Europe for their business activities and revenues. Any further exits from the EU, or an increase in the belief that such exits are likely or possible, would likely cause additional market disruption globally and introduce new legal and regulatory uncertainties.

Inflation-Linked Securities

The Portfolio may invest in inflation-indexed bonds, including municipal inflation-indexed bonds and corporate inflation-indexed bonds, or in derivatives that are linked to these securities. Inflation-linked bonds are fixed-income securities that have a principal value that is periodically adjusted according to the rate of inflation. If an index measuring inflation falls, the principal value of inflation-indexed bonds will typically be adjusted downward, and consequently the interest payable on these securities (calculated with respect to a smaller principal amount) will be reduced. Because of their inflation adjustment feature, inflation-linked bonds typically have lower yields than conventional fixed-rate bonds. In addition, inflation-linked bonds also normally decline in price when real interest rates rise. In the event of deflation, when prices decline over time, the principal and income of inflation-linked bonds would likely decline, resulting in losses to the Portfolio.

In the case of Treasury Inflation-Protected Securities, also known as TIPS, repayment of original bond principal upon maturity (as adjusted for inflation) is guaranteed by the U.S. Treasury. For inflation-linked bonds that do not provide a similar guarantee, the adjusted principal value of the inflation-linked bond repaid at maturity may be less than the original principal. Other non-U.S. sovereign governments also issue inflation-linked securities (sometimes referred to as "linkers") that are tied to their own local consumer price indices. In certain of these non-U.S. jurisdictions, the repayment of the original bond principal upon the maturity of an inflation-linked bond is not guaranteed, allowing for the amount of the bond repaid at maturity to be less than par. Inflation-linked bonds may also be issued by, or related to, sovereign

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governments of other developed countries, emerging market countries, or companies or other entities not affiliated with governments.

Loans

The Portfolio may invest in various commercial loans, including bank loans, bridge loans, debtor-in-possession ("DIP") loans, mezzanine loans, and other fixed and floating rate loans. These loans may be acquired through loan participations and assignments or on a when-issued basis. Commercial loans will comprise no more than 20% of the Portfolio's total assets. Below are descriptions of the types of loans held by the Portfolio as of December 31, 2020.

- **Bank Loans** - Bank loans are obligations of companies or other entities entered into in connection with recapitalizations, acquisitions, and refinancings. The Portfolio's investments in bank loans are generally acquired as a participation interest in, or assignment of, loans originated by a lender or other financial institution. These investments may include institutionally-traded floating and fixed-rate debt securities.
- **Floating Rate Loans** - Floating rate loans are debt securities that have floating interest rates, that adjust periodically, and are tied to a benchmark lending rate, such as London Interbank Offered Rate ("LIBOR"). In other cases, the lending rate could be tied to the prime rate offered by one or more major U.S. banks or the rate paid on large certificates of deposit traded in the secondary markets. If the benchmark lending rate changes, the rate payable to lenders under the loan will change at the next scheduled adjustment date specified in the loan agreement. Floating rate loans are typically issued to companies ("borrowers") in connection with recapitalizations, acquisitions, and refinancings. Floating rate loan investments are generally below investment grade. Senior floating rate loans are secured by specific collateral of a borrower and are senior in the borrower's capital structure. The senior position in the borrower's capital structure generally gives holders of senior loans a claim on certain of the borrower's assets that is senior to subordinated debt and preferred and common stock in the case of a borrower's default. Floating rate loan investments may involve foreign borrowers, and investments may be denominated in foreign currencies. Floating rate loans often involve borrowers whose financial condition is troubled or uncertain and companies that are highly leveraged. The Portfolio may invest in obligations of borrowers who are in bankruptcy proceedings. While the Portfolio generally expects to invest in fully funded term loans, certain of the loans in which the Portfolio may invest include revolving loans, bridge loans, and delayed draw term loans.

Purchasers of floating rate loans may pay and/or receive certain fees. The Portfolio may receive fees such as covenant waiver fees or prepayment penalty fees. The Portfolio may pay fees such as facility fees. Such fees may affect the Portfolio's return.

- **Mezzanine Loans** - Mezzanine loans are secured by the stock of the company that owns the assets. Mezzanine loans are a hybrid of debt and equity financing that is typically used to fund the expansion of existing companies. A mezzanine loan is composed of debt capital that gives the lender the right to convert to an ownership or equity interest in the company if the loan is not paid back in time and in full. Mezzanine loans typically are the most subordinated debt obligation in an issuer's capital structure.

Mortgage- and Asset-Backed Securities

Mortgage- and asset-backed securities represent interests in "pools" of commercial or residential mortgages or other assets, including consumer and commercial loans or receivables. The Portfolio may purchase fixed or variable rate commercial or residential mortgage-backed securities issued by the Government National Mortgage Association ("Ginnie Mae"), the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), or other governmental or government-related entities. Ginnie Mae's guarantees are backed as to the timely payment of principal and interest by the full faith and credit of the U.S. Government. Fannie Mae and Freddie Mac securities are not backed by the full faith and credit of the U.S. Government. In September 2008, the Federal Housing Finance Agency ("FHFA"), an agency of the U.S. Government, placed Fannie Mae and Freddie Mac under conservatorship. Since that time, Fannie Mae and Freddie Mac have received capital support through U.S. Treasury preferred stock purchases and Treasury and Federal Reserve purchases of their mortgage-backed securities. The FHFA and the U.S. Treasury have imposed strict limits on the size of these entities' mortgage portfolios. The FHFA has the power to cancel any contract entered into by Fannie Mae and Freddie Mac prior to FHFA's appointment as conservator or receiver, including the guarantee obligations of Fannie Mae and Freddie Mac.

The Portfolio may also purchase other mortgage- and asset-backed securities through single- and multi-seller conduits, collateralized debt obligations, structured investment vehicles, and other similar securities. Asset-backed securities may

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be backed by various consumer obligations, including automobile loans, equipment leases, credit card receivables, or other collateral. In the event the underlying loans are not paid, the securities' issuer could be forced to sell the assets and recognize losses on such assets, which could impact your return. Unlike traditional debt instruments, payments on these securities include both interest and a partial payment of principal. Mortgage- and asset-backed securities are subject to both extension risk, where borrowers pay off their debt obligations more slowly in times of rising interest rates, and prepayment risk, where borrowers pay off their debt obligations sooner than expected in times of declining interest rates. These risks may reduce the Portfolio's returns. In addition, investments in mortgage- and asset-backed securities, including those comprised of subprime mortgages, may be subject to a higher degree of credit risk, valuation risk, extension risk (if interest rates rise), and liquidity risk than various other types of fixed-income securities. Additionally, although mortgage-backed securities are generally supported by some form of government or private guarantee and/or insurance, there is no assurance that guarantors or insurers will meet their obligations.

Real Estate Investing

The Portfolio may invest in equity and debt securities of real estate-related companies. Such companies may include those in the real estate industry or real estate-related industries. These securities may include common stocks, corporate bonds, preferred stocks, and other equity securities, including, but not limited to, mortgage-backed securities, real estate-backed securities, securities of REITs and similar REIT-like entities. A REIT is a trust that invests in real estate-related projects, such as properties, mortgage loans, and construction loans. REITs are generally categorized as equity, mortgage, or hybrid REITs. A REIT may be listed on an exchange or traded OTC.

Sovereign Debt

The Portfolio may invest in U.S. and non-U.S. government debt securities ("sovereign debt"). Some investments in sovereign debt, such as U.S. sovereign debt, are considered low risk. However, investments in sovereign debt, especially the debt of less developed countries, can involve a high degree of risk, including the risk that the governmental entity that controls the repayment of sovereign debt may not be willing or able to repay the principal and/or to pay the interest on its sovereign debt in a timely manner. A sovereign debtor's willingness or ability to satisfy its debt obligation may be affected by various factors including, but not limited to, its cash flow situation, the extent of its foreign currency reserves, the availability of foreign exchange when a payment is due, the relative size of its debt position in relation to its economy as a whole, the sovereign debtor's policy toward international lenders, and local political constraints to which the governmental entity may be subject. Sovereign debtors may also be dependent on expected disbursements from foreign governments, multilateral agencies, and other entities. The failure of a sovereign debtor to implement economic reforms, achieve specified levels of economic performance, or repay principal or interest when due may result in the cancellation of third party commitments to lend funds to the sovereign debtor, which may further impair such debtor's ability or willingness to timely service its debts. The Portfolio may be requested to participate in the rescheduling of such sovereign debt and to extend further loans to governmental entities, which may adversely affect the Portfolio's holdings. In the event of default, there may be limited or no legal remedies for collecting sovereign debt and there may be no bankruptcy proceedings through which the Portfolio may collect all or part of the sovereign debt that a governmental entity has not repaid. In addition, to the extent the Portfolio invests in non-U.S. sovereign debt, it may be subject to currency risk.

TBA Commitments

The Portfolio may enter into "to be announced" or "TBA" commitments. TBAs are forward agreements for the purchase or sale of securities, including mortgage-backed securities, for a fixed price, with payment and delivery on an agreed upon future settlement date. The specific securities to be delivered are not identified at the trade date. However, delivered securities must meet specified terms, including issuer, rate, and mortgage terms. Although the particular TBA securities must meet industry-accepted "good delivery" standards, there can be no assurance that a security purchased on forward commitment basis will ultimately be issued or delivered by the counterparty. During the settlement period, the Portfolio will still bear the risk of any decline in the value of the security to be delivered. Because TBA commitments do not require the purchase and sale of identical securities, the characteristics of the security delivered to the Portfolio may be less favorable than the security delivered to the dealer. If the counterparty to a transaction fails to deliver the security, the Portfolio could suffer a loss.

When-Issued, Delayed Delivery and Forward Commitment Transactions

The Portfolio may purchase or sell securities on a when-issued, delayed delivery, or forward commitment basis. When purchasing a security on a when-issued, delayed delivery, or forward commitment basis, the Portfolio assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations, and takes such fluctuations into

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account when determining its net asset value. Typically, no income accrues on securities the Portfolio has committed to purchase prior to the time delivery of the securities is made. Because the Portfolio is not required to pay for the security until the delivery date, these risks are in addition to the risks associated with the Portfolio's other investments. If the other party to a transaction fails to deliver the securities, the Portfolio could miss a favorable price or yield opportunity. If the Portfolio remains substantially fully invested at a time when when-issued, delayed delivery, or forward commitment purchases are outstanding, the purchases may result in a form of leverage.

When the Portfolio has sold a security on a when-issued, delayed delivery, or forward commitment basis, the Portfolio does not participate in future gains or losses with respect to the security. If the other party to a transaction fails to pay for the securities, the Portfolio could suffer a loss. Additionally, when selling a security on a when-issued, delayed delivery, or forward commitment basis without owning the security, the Portfolio will incur a loss if the security's price appreciates in value such that the security's price is above the agreed upon price on the settlement date. The Portfolio may dispose of or renegotiate a transaction after it is entered into, and may purchase or sell when-issued, delayed delivery or forward commitment securities before the settlement date, which may result in a gain or loss.

3. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays Janus Capital Management LLC ("Janus Capital") an investment advisory fee which is calculated daily and paid monthly. The Portfolio's contractual investment advisory fee rate (expressed as an annual rate) is 0.55% of its average daily net assets.

Janus Services LLC ("Janus Services"), a wholly-owned subsidiary of Janus Capital, is the Portfolio's transfer agent. Janus Services receives an administrative services fee at an annual rate of 0.05% of the average daily net assets of the Portfolio for arranging for the provision by participating insurance companies and qualified plan service providers of administrative services, including recordkeeping, subaccounting, order processing, or other shareholder services provided on behalf of contract holders or plan participants investing in the Portfolio. Other shareholder services may include the provision of order confirmations, periodic account statements, forwarding prospectuses, shareholder reports, and other materials to existing investors, and answering inquiries regarding accounts. Janus Services expects to use this entire fee to compensate insurance companies and qualified plan service providers for providing these services to their customers who invest in the Portfolio. Any unused portion will be reimbursed to the applicable share class at least annually.

In addition, Janus Services provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. Janus Services is not compensated for these internal services related to the shares, except for out-of-pocket costs. These amounts are disclosed as "Other transfer agent fees and expenses" on the Statement of Operations.

Under a distribution and shareholder servicing plan (the "Plan") adopted in accordance with Rule 12b-1 under the 1940 Act, the Service Shares may pay the Trust's distributor, Janus Distributors LLC ("Janus Distributors"), a wholly-owned subsidiary of Janus Capital, a fee for the sale and distribution and/or shareholder servicing of the Service Shares at an annual rate of up to 0.25% of the average daily net assets of the Service Shares. Under the terms of the Plan, the Trust is authorized to make payments to Janus Distributors for remittance to insurance companies and qualified plan service providers as compensation for distribution and/or shareholder services performed by such entities. These amounts are disclosed as "12b-1 Distribution and shareholder servicing fees" on the Statement of Operations. Payments under the Plan are not tied exclusively to actual 12b-1 distribution and servicing fees, and the payments may exceed 12b-1 distribution and servicing fees actually incurred. If any of the Portfolio's actual 12b-1 distribution and servicing fees incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in "12b-1 Distribution and shareholder servicing fees" in the Statement of Operations.

Janus Capital serves as administrator to the Portfolio pursuant to an administration agreement between Janus Capital and the Trust. Under the administration agreement, Janus Capital is obligated to provide or arrange for the provision of certain administration, compliance, and accounting services to the Portfolio, including providing office space for the Portfolio, and is reimbursed by the Portfolio for certain of its costs in providing these services (to the extent Janus Capital seeks reimbursement and such costs are not otherwise waived). In addition, employees of Janus Capital and/or its affiliates may serve as officers of the Trust. The Portfolio pays for some or all of the salaries, fees, and expenses of Janus Capital employees and Portfolio officers, with respect to certain specified administration functions they perform on behalf of the Portfolio. The Portfolio pays these costs based on out-of-pocket expenses incurred by Janus Capital,

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and these costs are separate and apart from advisory fees and other expenses paid in connection with the investment advisory services Janus Capital (or any subadvisor, as applicable) provides to the Portfolio. These amounts are disclosed as "Affiliated portfolio administration fees" on the Statement of Operations. In addition, some expenses related to compensation payable to the Portfolio's Chief Compliance Officer and certain compliance staff, all of whom are employees of Janus Capital and/or its affiliates, are shared with the Portfolio. Total compensation of \$34,973 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2020. The Portfolio's portion is reported as part of "Other expenses" on the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the "Deferred Plan") for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus Henderson funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/(depreciation) and is included as of December 31, 2020 on the Statement of Assets and Liabilities in the asset, "Non-interested Trustees' deferred compensation," and liability, "Non-interested Trustees' deferred compensation fees." Additionally, the recorded unrealized appreciation/(depreciation) is included in "Total distributable earnings (loss)" on the Statement of Assets and Liabilities. Deferred compensation expenses for the year ended December 31, 2020 are included in "Non-interested Trustees' fees and expenses" on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan. Deferred fees of \$471,450 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2020.

Pursuant to the provisions of the 1940 Act and related rules, the Portfolio may participate in an affiliated or non-affiliated cash sweep program. In the cash sweep program, uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or non-affiliated money market funds or cash management pooled investment vehicles that operate as money market funds. The Portfolio is eligible to participate in the cash sweep program (the "Investing Funds"). As adviser, Janus Capital has an inherent conflict of interest because of its fiduciary duties to the affiliated money market funds or cash management pooled investment vehicles and the Investing Funds. Janus Henderson Cash Liquidity Fund LLC (the "Sweep Vehicle") is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. The Sweep Vehicle operates pursuant to the provisions of the 1940 Act that govern the operation of money market funds and prices its shares at NAV reflecting market-based values of its portfolio securities (i.e., a "floating" NAV) rounded to the fourth decimal place (e.g., \$1.0000). The Sweep Vehicle is permitted to impose a liquidity fee (of up to 2%) on redemptions from the Sweep Vehicle or a redemption gate that temporarily suspends redemptions from the Sweep Vehicle for up to 10 business days during a 90 day period. There are no restrictions on the Portfolio's ability to withdraw investments from the Sweep Vehicle at will, and there are no unfunded capital commitments due from the Portfolio to the Sweep Vehicle. The Sweep Vehicle does not charge any management fee, sales charge or service fee.

Any purchases and sales, realized gains/losses and recorded dividends from affiliated investments during the year ended December 31, 2020 can be found in the "Schedules of Affiliated Investments" located in the Schedule of Investments.

The Portfolio is permitted to purchase or sell securities ("cross-trade") between itself and other funds or accounts managed by Janus Capital in accordance with Rule 17a-7 under the Investment Company Act of 1940 ("Rule 17a-7"), when the transaction is consistent with the investment objectives and policies of the Portfolio and in accordance with the Internal Cross Trade Procedures adopted by the Trust's Board of Trustees. These procedures have been designed to ensure that any cross-trade of securities by the Portfolio from or to another fund or account that is or could be considered an affiliate of the Portfolio under certain limited circumstances by virtue of having a common investment adviser, common Officer, or common Trustee complies with Rule 17a-7. Under these procedures, each cross-trade is effected at the current market price to save costs where allowed. During the year ended December 31, 2020, the Portfolio engaged in cross trades amounting to \$25,893,453 in purchases and \$19,858,633 in sales, resulting in a net realized gain of \$749,155. The net realized gain is included within the "Net Realized Gain/(Loss) on Investments" section of the Portfolio's Statement of Operations.

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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.

<i>Undistributed Ordinary Income</i>	<i>Undistributed Long-Term Gains</i>	<i>Accumulated Capital Losses</i>	<i>Loss Deferrals</i>		<i>Other Book to Tax Differences</i>	<i>Net Tax Appreciation/ (Depreciation)</i>
			<i>Late-Year Ordinary Loss</i>	<i>Post-October Capital Loss</i>		
\$ 25,337,095	\$ 40,603,763	\$ -	\$ -	\$ -	\$ (149,551)	\$ 1,846,300,445

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of December 31, 2020 are noted below. The primary differences between book and tax appreciation or depreciation of investments are wash sale loss deferrals and investments in partnerships.

<i>Federal Tax Cost</i>	<i>Unrealized Appreciation</i>	<i>Unrealized (Depreciation)</i>	<i>Net Tax Appreciation/ (Depreciation)</i>
\$ 4,949,424,293	\$ 1,857,856,131	\$ (11,555,686)	\$ 1,846,300,445

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, 2020

<i>Distributions</i>			
<i>From Ordinary Income</i>	<i>From Long-Term Capital Gains</i>	<i>Tax Return of Capital</i>	<i>Net Investment Loss</i>
\$ 122,041,226	\$ 52,696,448	\$ -	\$ -

For the year ended December 31, 2019

<i>Distributions</i>			
<i>From Ordinary Income</i>	<i>From Long-Term Capital Gains</i>	<i>Tax Return of Capital</i>	<i>Net Investment Loss</i>
\$ 77,976,625	\$ 116,073,451	\$ -	\$ -

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:

<i>Increase/(Decrease) to Capital</i>	<i>Increase/(Decrease) to Undistributed Net Investment Income/Loss</i>	<i>Increase/(Decrease) to Undistributed Net Realized Gain/Loss</i>
\$ 1	\$ 5,948,073	\$ (5,948,074)

Janus Henderson VIT Balanced Portfolio

Notes to Financial Statements

5. Capital Share Transactions

	Year ended December 31, 2020		Year ended December 31, 2019	
	Shares	Amount	Shares	Amount
Institutional Shares:				
Shares sold	833,472	\$ 32,931,124	761,195	\$ 28,340,063
Reinvested dividends and distributions	377,963	14,605,878	536,983	19,713,876
Shares repurchased	(1,857,858)	(72,669,980)	(1,933,358)	(71,427,947)
Net Increase/(Decrease)	(646,423)	\$ (25,132,978)	(635,180)	\$ (23,374,008)
Service Shares:				
Shares sold	21,712,567	\$911,634,210	20,594,452	\$809,496,215
Reinvested dividends and distributions	3,917,443	160,131,796	4,493,890	174,336,200
Shares repurchased	(7,010,260)	(289,245,563)	(5,686,724)	(220,402,952)
Net Increase/(Decrease)	18,619,750	\$782,520,443	19,401,618	\$763,429,463

6. Purchases and Sales of Investment Securities

For the year ended December 31, 2020, the aggregate cost of purchases and proceeds from sales of investment securities (excluding any short-term securities, short-term options contracts, TBAs, and in-kind transactions, as applicable) was as follows:

<i>Purchases of Securities</i>	<i>Proceeds from Sales of Securities</i>	<i>Purchases of Long-Term U.S. Government Obligations</i>	<i>Proceeds from Sales of Long-Term U.S. Government Obligations</i>
\$3,356,216,005	\$2,779,083,353	\$ 1,625,922,679	\$ 1,629,232,260

7. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2020 and through the date of issuance of the Portfolio's financial statements and determined that there were no material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

Janus Henderson VIT Balanced Portfolio

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Janus Aspen Series and Shareholders of Janus Henderson VIT Balanced Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Janus Henderson VIT Balanced Portfolio (one of the portfolios constituting Janus Aspen Series, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statements of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian, transfer agent, and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.



Denver, Colorado
February 16, 2021

We have served as the auditor of one or more investment companies in Janus Henderson Funds since 1990.

Janus Henderson VIT Balanced Portfolio

Additional Information (unaudited)

Proxy Voting Policies and Voting Record

A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-1093; (ii) on the Portfolio's website at janushenderson.com/proxyvoting; and (iii) on the SEC's website at <http://www.sec.gov>. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through janushenderson.com/proxyvoting and from the SEC's website at <http://www.sec.gov>.

Full Holdings

The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC as an exhibit to Form N-PORT within 60 days of the end of the first and third fiscal quarters, and in the annual report and semiannual report to shareholders. The Portfolio's Form N-PORT filings and annual and semiannual reports: (i) are available on the SEC's website at <http://www.sec.gov>; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) are available without charge, upon request, by calling a Janus Henderson representative at 1-877-335-2687 (toll free). Portfolio holdings consisting of at least the names of the holdings are generally available on a monthly basis with a 30-day lag under Full Holdings for the Portfolio at janushenderson.com/vit.

APPROVAL OF ADVISORY AGREEMENTS DURING THE PERIOD

The Trustees of Janus Aspen Series, each of whom serves as an "independent" Trustee (the "Trustees"), oversee the management of each Portfolio of Janus Aspen Series (each, a "VIT Portfolio," and collectively, the "VIT Portfolios"), as well as each Fund of Janus Investment Fund (together with the VIT Portfolios, the "Janus Henderson Funds," and each, a "Janus Henderson Fund"). As required by law, the Trustees determine annually whether to continue the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreements for the Janus Henderson Funds that utilize subadvisers.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received, and reviewed information provided by Janus Capital and the respective subadvisers in response to requests of the Trustees and their independent legal counsel. They also received and reviewed information and analysis provided by, and in response to requests of, their independent fee consultant. Throughout their consideration of the agreements, the Trustees were advised by their independent legal counsel. The Trustees met with management to consider the agreements, and also met separately in executive session with their independent legal counsel and their independent fee consultant.

At a meeting held on December 9, 2020, based on the Trustees' evaluation of the information provided by Janus Capital, the subadvisers, and the independent fee consultant, as well as other information, the Trustees determined that the overall arrangements between each Janus Henderson Fund and Janus Capital and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by Janus Capital, its affiliates and the subadvisers, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment. At that meeting, the Trustees unanimously approved the continuation of the investment advisory agreement for each Janus Henderson Fund, and the subadvisory agreement for each subadvised Janus Henderson Fund, for the period from February 1, 2021 through February 1, 2022, subject to earlier termination as provided for in each agreement.

In considering the continuation of those agreements, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Trustees' determination to approve the continuation of the agreements are discussed separately below. Also included is a summary of the independent fee consultant's conclusions and opinions that arose during, and were included as part of, the Trustees' consideration of the agreements. "Management fees," as used herein, reflect actual annual advisory fees and, for the purpose of peer comparisons any administration fees (excluding out of pocket costs), net of any waivers, paid by a fund as a percentage of average net assets.

Nature, Extent and Quality of Services

The Trustees reviewed the nature, extent and quality of the services provided by Janus Capital and the subadvisers to the Janus Henderson Funds, taking into account the investment objective, strategies and policies of each Janus Henderson Fund, and the knowledge the Trustees gained from their regular meetings with management on at least a

Janus Henderson VIT Balanced Portfolio

Additional Information (unaudited)

quarterly basis and their ongoing review of information related to the Janus Henderson Funds. In addition, the Trustees reviewed the resources and key personnel of Janus Capital and each subadviser, particularly noting those employees who provide investment and risk management services to the Janus Henderson Funds. The Trustees also considered other services provided to the Janus Henderson Funds by Janus Capital or the subadvisers, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered Janus Capital's role as administrator to the Janus Henderson Funds, noting that Janus Capital generally does not receive a fee for its services but is reimbursed for its out-of-pocket costs. The Trustees considered the role of Janus Capital in monitoring adherence to the Janus Henderson Funds' investment restrictions, providing support services for the Trustees and Trustee committees, and overseeing communications with shareholders and the activities of other service providers, including monitoring compliance with various policies and procedures of the Janus Henderson Funds and with applicable securities laws and regulations.

In this regard, the independent fee consultant noted that Janus Capital provides a number of different services for the Janus Henderson Funds and fund shareholders, ranging from investment management services to various other servicing functions, and that, in its view, Janus Capital is a capable provider of those services. The independent fee consultant also provided its belief that Janus Capital has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance over the long term.

The Trustees concluded that the nature, extent and quality of the services provided by Janus Capital or the subadviser to each Janus Henderson Fund were appropriate and consistent with the terms of the respective advisory and subadvisory agreements, and that, taking into account steps taken to address those Janus Henderson Funds whose performance lagged that of their peers for certain periods, the Janus Henderson Funds were likely to benefit from the continued provision of those services. They also concluded that Janus Capital and each subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and had demonstrated its ability to attract well-qualified personnel.

Performance of the Funds

The Trustees considered the performance results of each Janus Henderson Fund over various time periods. They noted that they considered Janus Henderson Fund performance data throughout the year, including periodic meetings with each Janus Henderson Fund's portfolio manager(s), and also reviewed information comparing each Janus Henderson Fund's performance with the performance of comparable funds and peer groups identified by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent data provider, and with the Janus Henderson Fund's benchmark index. In this regard, the independent fee consultant found that the overall Janus Henderson Funds' performance has been reasonable: for the 36 months ended September 30, 2020, approximately 75% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2020, approximately 62% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers.

The Trustees considered the performance of each Janus Henderson Fund, noting that performance may vary by share class, and noted the following with respect to the VIT Portfolios:

- For Janus Henderson Balanced Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance, and that the performance trend was improving.

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Additional Information (unaudited)

- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Global Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital and Perkins had taken or were taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020.

In consideration of each Janus Henderson Fund's performance, the Trustees concluded that, taking into account the factors relevant to performance, as well as other considerations, including steps taken to improve performance, the Janus Henderson Fund's performance warranted continuation of such Janus Henderson Fund's investment advisory and subadvisory agreement(s).

Costs of Services Provided

The Trustees examined information regarding the fees and expenses of each Janus Henderson Fund in comparison to similar information for other comparable funds as provided by Broadridge, an independent data provider. They also reviewed an analysis of that information provided by their independent fee consultant and noted that the rate of management fees (investment advisory fees and any administration fees but excluding out-of-pocket costs) for many of the Janus Henderson Funds, after applicable waivers, was below the average management fee rate of the respective peer group of funds selected by an independent data provider. The Trustees also examined information regarding the subadvisory fees charged for subadvisory services, as applicable, noting that all such fees were paid by Janus Capital out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by Janus Capital to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by Janus Capital. The independent fee consultant found: (1) the total expenses and management fees of the Janus Henderson Funds to be reasonable relative to other comparable mutual funds; (2) the total expenses, on average, were 10% under the average total expenses of the respective Broadridge Expense Group peers; and (3) the management fees for the Janus Henderson Funds, on average, were 9% under the average management fees for the respective Broadridge Expense Group. The Trustees also considered the total expenses for

Janus Henderson VIT Balanced Portfolio

Additional Information (unaudited)

each share class of each Janus Henderson Fund compared to the average total expenses for its Broadridge Expense Group and to average total expenses for its Broadridge Expense Universe.

For certain Janus Henderson Funds, the independent fee consultant also performed a systematic “focus list” analysis of expenses which assessed fund fees in the context of fund performance being delivered. Based on this analysis, the independent fee consultant found that the combination of service quality/performance and expenses on these individual Janus Henderson Funds was reasonable in light of performance trends, performance histories, and existence of performance fees, breakpoints, and/or expense waivers on such Janus Henderson Funds.

The Trustees considered the methodology used by Janus Capital and each subadviser in determining compensation payable to portfolio managers, the competitive environment for investment management talent, and the competitive market for mutual funds in different distribution channels.

The Trustees also reviewed management fees charged by Janus Capital and each subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by Janus Capital or by a subadviser (for which Janus Capital or the subadviser provides only or primarily portfolio management services). Although in most instances subadvisory and separate account fee rates for various investment strategies were lower than management fee rates for Janus Henderson Funds having a similar strategy, the Trustees considered that Janus Capital noted that, under the terms of the management agreements with the Janus Henderson Funds, Janus Capital performs significant additional services for the Janus Henderson Funds that it does not provide to those other clients, including administration services, oversight of the Janus Henderson Funds' other service providers, trustee support, regulatory compliance and numerous other services, and that, in serving the Janus Henderson Funds, Janus Capital assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, they noted that the independent fee consultant found that: (1) the management fees Janus Capital charges to the Janus Henderson Funds are reasonable in relation to the management fees Janus Capital charges to funds subadvised by Janus Capital and to the fees Janus Capital charges to its institutional separate account clients; (2) these subadvised and institutional separate accounts have different service and infrastructure needs and operate in markets very distinct relative to retail funds; and (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; (4) 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by Janus Capital; and (5) 5 of 8 Janus Henderson Funds have lower management fees than similar separate accounts managed by Janus Capital.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2019, including the VIT Portfolios, and noted the following with regard to each VIT Portfolio's total expenses, net of applicable fee waivers (the VIT Portfolio's “total expenses”):

- For Janus Henderson Balanced Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.
- For Janus Henderson Forty Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Research Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.

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Additional Information (unaudited)

- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's total expenses were below the peer group average for both share classes.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for its sole share class.

The Trustees reviewed information on the overall profitability to Janus Capital and its affiliates of their relationship with the Janus Henderson Funds, and considered profitability data of other publicly traded mutual fund advisers. The Trustees recognized that profitability comparisons among fund managers are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund manager is affected by numerous factors, including the organizational structure of the particular fund manager, differences in complex size, difference in product mix, difference in types of business (mutual fund, institutional and other), differences in the types of funds and other accounts it manages, possible other lines of business, the methodology for allocating expenses, and the fund manager's capital structure and cost of capital.

Additionally, the Trustees considered the estimated profitability to Janus Capital from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether Janus Capital and each subadviser receive adequate incentives and resources to manage the Janus Henderson Funds effectively. In reviewing profitability, the Trustees noted that the estimated profitability for an individual Janus Henderson Fund is necessarily a product of the allocation methodology utilized by Janus Capital to allocate its expenses as part of the estimated profitability calculation. In this regard, the Trustees noted that the independent fee consultant found that (1) the expense allocation methodology and rationales utilized by Janus Capital were reasonable and (2) no clear correlation exists between expense allocations and operating margins. The Trustees also considered that the estimated profitability for an individual Janus Henderson Fund was influenced by a number of factors, including not only the allocation methodology selected, but also the presence of fee waivers and expense caps, and whether the Janus Henderson Fund's investment management agreement contained breakpoints or a performance fee component. The Trustees determined, after taking into account these factors, among others, that Janus Capital's estimated profitability with respect to each Janus Henderson Fund was not unreasonable in relation to the services provided, and that the variation in the range of such estimated profitability among the Janus Henderson Funds was not a material factor in the Board's approval of the reasonableness of any Janus Henderson Fund's investment management fees.

The Trustees concluded that the management fees payable by each Janus Henderson Fund to Janus Capital and its affiliates, as well as the fees paid by Janus Capital to the subadvisers of subadvised Janus Henderson Funds, were reasonable in relation to the nature, extent, and quality of the services provided, taking into account the fees charged by other advisers for managing comparable mutual funds with similar strategies, the fees Janus Capital and the subadvisers charge to other clients, and, as applicable, the impact of fund performance on management fees payable by the Janus Henderson Funds. The Trustees also concluded that each Janus Henderson Fund's total expenses were reasonable, taking into account the size of the Janus Henderson Fund, the quality of services provided by Janus Capital and any subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by Janus Capital.

Economies of Scale

The Trustees considered information about the potential for Janus Capital to realize economies of scale as the assets of the Janus Henderson Funds increase. They noted that their independent fee consultant published a report to the Trustees in November 2019 which provided its research and analysis into economies of scale. They also noted that, although many Janus Henderson Funds pay advisory fees at a fixed base rate as a percentage of net assets, without any breakpoints or performance fees, their independent fee consultant concluded that 73% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. They also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of Janus Capital, Janus Capital is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) as the assets of some of the Janus Henderson Funds have declined in the past few years, certain of those Janus Henderson Funds have benefited from having advisory fee rates that have remained constant rather than increasing as assets declined; (3) performance fee structures have been implemented for various Janus Henderson Funds that have caused the effective rate of advisory fees payable by such

Janus Henderson VIT Balanced Portfolio

Additional Information (unaudited)

Janus Henderson Fund to vary depending on the investment performance of the Janus Henderson Fund relative to its benchmark index over the measurement period; and (4) a few Janus Henderson Funds have fee schedules with breakpoints and reduced fee rates above certain asset levels. The Trustees also noted that the Janus Henderson Funds share directly in economies of scale through the significant investments made by Janus Capital and its affiliates related to services provided to the Funds and the lower charges of third-party service providers that are based in part on the combined scale of all of the Janus Henderson Funds.

The Trustees also considered the independent fee consultant's conclusion that, given the limitations of various analytical approaches to economies of scale and their conflicting results, it is difficult to analytically confirm or deny the existence of economies of scale in the Janus Henderson complex. In this regard, the independent consultant concluded that (1) to the extent there were economies of scale at Janus Capital, Janus Capital's general strategy of setting fixed management fees below peers appeared to share any such economies with investors even on smaller Janus Henderson Funds which have not yet achieved those economies and (2) by setting lower fixed fees from the start on these Janus Henderson Funds, Janus Capital appeared to be investing to increase the likelihood that these Janus Henderson Funds will grow to a level to achieve any economies of scale that may exist. Further, the independent fee consultant provided its belief that Janus Henderson Fund investors are well-served by the fee levels and performance fee structures in place on the Janus Henderson Funds in light of any economies of scale that may be present at Janus Capital.

Based on all of the information reviewed, including the recent and past research and analysis conducted by the Trustees' independent fee consultant, the Trustees concluded that the current fee structure of each Janus Henderson Fund was reasonable and that the current rates of fees do reflect a sharing between Janus Capital and the Janus Henderson Fund of any economies of scale that may be present at the current asset level of the Janus Henderson Fund.

Other Benefits to Janus Capital

The Trustees also considered benefits that accrue to Janus Capital and its affiliates and subadvisers to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of Janus Capital separately serve the Janus Henderson Funds as transfer agent and distributor, respectively, and the transfer agent receives compensation directly from the non-money market funds for services provided, and that such compensation contributes to the overall profitability of Janus Capital and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered Janus Capital's past and proposed use of commissions paid by the Janus Henderson Funds on portfolio brokerage transactions to obtain proprietary and third-party research products and services benefiting the Janus Henderson Fund and/or other clients of Janus Capital and Janus Capital, and/or a subadviser to a Janus Henderson Fund. The Trustees concluded that Janus Capital's and the subadvisers' use of these types of client commission arrangements to obtain proprietary and third-party research products and services was consistent with regulatory requirements and guidelines and was likely to benefit each Janus Henderson Fund. The Trustees also concluded that, other than the services provided by Janus Capital and its affiliates and subadvisers pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and Janus Capital and the subadvisers may potentially benefit from their relationship with each other in other ways. They concluded that Janus Capital and its affiliates share directly in economies of scale through the lower charges of third-party service providers that are based in part on the combined scale of the Janus Henderson Funds and other clients serviced by Janus Capital and its affiliates. They also concluded that Janus Capital and/or the subadvisers benefit from the receipt of research products and services acquired through commissions paid on portfolio transactions of the Janus Henderson Funds and that the Janus Henderson Funds benefit from Janus Capital's and/or the subadvisers' receipt of those products and services as well as research products and services acquired through commissions paid by other clients of Janus Capital and/or other clients of the subadvisers. They further concluded that the success of any Janus Henderson Fund could attract other business to Janus Capital, the subadvisers or other Janus Henderson funds, and that the success of Janus Capital and the subadvisers could enhance Janus Capital's and the subadvisers' ability to serve the Janus Henderson Funds.

Janus Henderson VIT Balanced Portfolio

Useful Information About Your Portfolio Report (unaudited)

Management Commentary

The Management Commentary in this report includes valuable insight as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of risk. A company may be allocated to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed in the Management Commentary are just that: opinions. They are a reflection based on best judgment at the time this report was compiled, which was December 31, 2020. As the investing environment changes, so could opinions. These views are unique and are not necessarily shared by fellow employees or by Janus Henderson in general.

Performance Overviews

Performance overview graphs compare the performance of a hypothetical \$10,000 investment in the Portfolio with one or more widely used market indices. When comparing the performance of the Portfolio with an index, keep in mind that market indices are not available for investment and do not reflect deduction of expenses.

Average annual total returns are quoted for a Portfolio with more than one year of performance history. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Cumulative total returns are quoted for a Portfolio with less than one year of performance history. Cumulative total return is the growth or decline in value of an investment over time, independent of the period of time involved. Cumulative total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized (if applicable) and unsubsidized ratios. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The net annual fund operating expenses ratio (if applicable) includes contractual waivers of Janus Capital and reflects the Portfolio's subsidized expense ratio. Ratios may be higher or lower than those shown in the "Financial Highlights" in this report.

Schedule of Investments

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country of risk. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Barclays and/or MSCI Inc.

Tables listing details of individual forward currency contracts, futures, written options, swaptions, and swaps follow the Portfolio's Schedule of Investments (if applicable).

Statement of Assets and Liabilities

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

Janus Henderson VIT Balanced Portfolio

Useful Information About Your Portfolio Report (unaudited)

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on securities owned, and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid, and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's net assets for each share class (assets minus liabilities) by the number of shares outstanding.

Statement of Operations

This statement details the Portfolio's income, expenses, realized gains and losses on securities and currency transactions, and changes in unrealized appreciation or depreciation of Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from securities and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign currency-denominated assets and liabilities. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. A change in unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

Statements of Changes in Net Assets

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends and distributions to investors, and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment operations. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends and/or distributions in cash, money is taken out of the Portfolio to pay the dividend and/or distribution. If investors reinvest their dividends and/or distributions, the Portfolio's net assets will not be affected. If you compare the Portfolio's "Net Decrease from Dividends and Distributions" to "Reinvested Dividends and Distributions," you will notice that dividends and distributions have little effect on the Portfolio's net assets. This is because the majority of the Portfolio's investors reinvest their dividends and/or distributions.

The reinvestment of dividends and distributions is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

Financial Highlights

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods as well as total return, asset size, ratios, and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income/(loss) per share. Following is the per share total of net gains/(losses), realized and unrealized. Per share dividends and distributions to investors are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the total return for the period. The total return may include adjustments in accordance with

Janus Henderson VIT Balanced Portfolio

Useful Information About Your Portfolio Report (unaudited)

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 Balanced Portfolio
Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2020:

Capital Gain Distributions	\$52,696,448
Dividends Received Deduction Percentage	56%

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

The following are the Trustees and officers of the Trust, together with a brief description of their principal occupations during the last five years (principal occupations for certain Trustees may include periods over five years). The Portfolio's Statement of Additional Information includes additional information about the Trustees and officers and is available, without charge, by calling 1-877-335-2687.

Each Trustee has served in that capacity since he or she was originally elected or appointed. The Trustees do not serve a specified term of office. Each Trustee will hold office until the termination of the Trust or his or her earlier death, resignation, retirement, incapacity, or removal. Under the Portfolio's Governance Procedures and Guidelines, the policy is for Trustees to retire no later than the end of the calendar year in which the Trustee turns 75. The Trustees review the Portfolio's Governance Procedures and Guidelines from time to time and may make changes they deem appropriate. The Portfolio's Nominating and Governance Committee will consider nominees for the position of Trustee recommended by shareholders. Shareholders may submit the name of a candidate for consideration by the Committee by submitting their recommendations to the Trust's Secretary. Each Trustee is currently a Trustee of one other registered investment company advised by Janus Capital: Janus Investment Fund. Collectively, these two registered investment companies consist of 56 series or funds referred to herein as the Fund Complex.

The Trust's officers are elected annually by the Trustees for a one-year term. Certain officers also serve as officers of Janus Investment Fund. Certain officers of the Portfolio may also be officers and/or directors of Janus Capital. Except as otherwise disclosed, Portfolio officers receive no compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer, as authorized by the Trustees.

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William F. McCalpin 151 Detroit Street Denver, CO 80206 DOB: 1957	Chairman Trustee	1/08-Present 6/02-Present	Independent Consultant (since 2019) and Chief Operating Officer, muun chi LLC (organic food business) (since 2020). Formerly, Managing Partner, Impact Investments, Athena Capital Advisors LLC (independent registered investment advisor) (2016-2019), Managing Director, Holos Consulting LLC (provides consulting services to foundations and other nonprofit organizations) (2009-2016), Chief Executive Officer, Imprint Capital Advisors (impact investment firm) (2013-2015), and Executive Vice President and Chief Operating Officer of The Rockefeller Brothers Fund (a private family foundation) (1998-2006).	56	Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (since 2016), Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 2 funds) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006).

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Alan A. Brown 151 Detroit Street Denver, CO 80206 DOB: 1962	Trustee	1/13-Present	Principal, Curam Holdings LLC (since 2018). Formerly, Executive Vice President, Institutional Markets, of Black Creek Group (private equity real estate investment management firm) (2012-2018), Executive Vice President and Co-Head, Global Private Client Group (2007-2010), Executive Vice President, Mutual Funds (2005-2007), and Chief Marketing Officer (2001-2005) of Nuveen Investments, Inc. (asset management).	56	Advisory Board Member of AEW Core Property Trust (open-end property fund) (since 2020), and Director of WTTW (PBS affiliate) (since 2003). Formerly, Director of MotiveQuest LLC (strategic social market research company) (2003-2016), Director of Nuveen Global Investors LLC (2007-2011), Director of Communities in Schools (2004-2010), and Director of Mutual Fund Education Alliance (until 2010).

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William D. Cvengros 151 Detroit Street Denver, CO 80206 DOB: 1948	Trustee	1/11-Present	Chief Executive Officer of SJC Capital, LLC (a personal investment company and consulting firm) (since 2002). Formerly, Chief Executive Officer and President of PIMCO Advisors Holdings L.P. (a publicly traded investment management firm) (1994-2000), and Chief Investment Officer (1987-1994) and Vice Chairman and Director (1990-1994) of Pacific Life Insurance Company (a mutual life insurance and annuity company) (1987-1994).	56	Advisory Board Member, RevOZ Fund LP and related funds (real estate investments for opportunity zones) (since 2020), and Advisory Board Member, Innovate Partners Emerging Growth and Equity Fund I (early stage venture capital fund) (since 2014). Formerly, Managing Trustee of National Retirement Partners Liquidating Trust (2013-2016), Chairman, National Retirement Partners, Inc. (formerly a network of advisors to 401(k) plans) (2005-2013), Director of Prospect Acquisition Corp. (a special purpose acquisition corporation) (2007-2009), Director of RemedyTemp, Inc. (temporary help services company) (1996-2006), and Trustee of PIMCO Funds Multi-Manager Series (1990-2000) and Pacific Life Variable Life & Annuity Trusts (1987-1994).

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Raudline Etienne 151 Detroit Street Denver, CO 80206 DOB: 1965	Trustee	6/16-Present	Founder, Daraja Capital (advisory and investment firm) (since 2016), and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (since 2016). Formerly, Senior Vice President (2011-2015), Albright Stonebridge Group LLC, and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	56	Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
William M. Fitzgerald, Sr. 151 Detroit Street Denver, CO 80206 DOB: 1964	Trustee	9/19-Present	Founder, Fitzgerald Asset Management LLC (since 2012). Formerly, Founder and Chief Investment Officer, Global Infrastructure Asset Management LLC (2008-2017), Chief Investment Officer of Nuveen Asset Management (2000-2007), and Managing Director, Nuveen Investment LLC (1988-2007).	56	Board of Directors, Municipal Securities Rulemaking Board (since 2017). Formerly, Board of Directors of Syncora Holdings Ltd, Syncora Guarantee Inc., and Syncora Capital Assurance Inc. (2009-2016), and Trustee, Destra Investment Trust (2010-2014).

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Gary A. Poliner 151 Detroit Street Denver, CO 80206 DOB: 1953	Trustee	6/16-Present	Retired. Formerly, President (2010-2013) of Northwestern Mutual Life Insurance Company.	56	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013) and West Bend Mutual Insurance Company (property/casualty insurance) (since 2013). Formerly, Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).
Diane L. Wallace 151 Detroit Street Denver, CO 80206 DOB: 1958	Trustee	6/17-Present	Retired. Formerly, Chief Operating Officer, Senior Vice President-Operations, and Chief Financial Officer for Driehaus Capital Management, LLC (1988-2006) and Treasurer for Driehaus Mutual Funds (1996-2002).	56	Director of Family Service of Lake County (since 2019). Formerly, Independent Trustee, Henderson Global Funds (13 portfolios) (2015-2017), Independent Trustee, State Farm Associates' Funds Trust, State Farm Mutual Fund Trust, and State Farm Variable Product Trust (28 portfolios) (2013-2017).

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Linda S. Wolf 151 Detroit Street Denver, CO 80206 DOB: 1947	Trustee	11/05-Present	Retired. Formerly, Chairman and Chief Executive Officer of Leo Burnett (Worldwide) (advertising agency) (2001-2005).	56	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), Shirley Ryan Ability Lab and Wrappports, LLC (digital communications company). Formerly, Director of Chicago Council on Global Affairs (until 2019), InnerWorkings (until 2019) and Director of Walmart (until 2017).

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Jeremiah Buckley 151 Detroit Street Denver, CO 80206 DOB: 1976	Executive Vice President and Co-Portfolio Manager Janus Henderson Balanced Portfolio	12/15-Present	Portfolio Manager for other Janus Henderson accounts.
Marc Pinto 151 Detroit Street Denver, CO 80206 DOB: 1961	Executive Vice President and Co-Portfolio Manager Janus Henderson Balanced Portfolio	5/05-Present	Portfolio Manager for other Janus Henderson accounts.
Michael Keough 151 Detroit Street Denver, CO 80206 DOB: 1978	Executive Vice President and Co-Portfolio Manager Janus Henderson Balanced Portfolio	12/19 - Present	Portfolio Manager for other Janus Henderson accounts.
Greg Wilensky 151 Detroit Street Denver, CO 80206 DOB: 1967	Executive Vice President and Co-Portfolio Manager Janus Henderson Balanced Portfolio	2/20-Present	Head of U.S. Fixed Income of Janus Henderson Investors and Portfolio Manager for other Janus Henderson accounts. Formerly, Director and Lead Portfolio Manager of the U.S. Multi-Sector Fixed Income team at AllianceBernstein (2007-2019).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Bruce L. Koepfgen 151 Detroit Street Denver, CO 80206 DOB: 1952	President and Chief Executive Officer	7/14-Present	Executive Vice President and Head of North America at Janus Henderson Investors (since 2017), President and Head of North America at Janus Capital Management LLC (since 2013 and 2017, respectively), President at Janus Capital Group Inc. (since 2013), President and Director at Janus International Holding LLC (since 2019 and 2011, respectively), President at Janus Holdings LLC (since 2019), President and Director at Janus Management Holdings Corporation (since 2017 and 2012, respectively), Executive Vice President and Head of North America at Janus Distributors LLC (since 2011 and 2019, respectively), Vice President and Director at Intech Investment Management LLC (since 2012), and Executive Vice President at Perkins Investment Management LLC (since 2011). Formerly, Executive Vice President at Janus Capital Group Inc., Janus International Holding LLC, and Janus Management Holdings Corporation (2011-2019), Director at Perkins Investment Management LLC (2011-2019), and Chief Financial Officer at Janus Capital Group Inc. (2011-2013).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Balanced Portfolio

Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Kristin Mariani 151 Detroit Street Denver, CO 80206 DOB: 1966	Vice President, Chief Compliance Officer, and Anti-Money Laundering Officer	7/20-Present	Head of Compliance, North America for Janus Henderson Investors (since September 2020), and Chief Compliance Officer for Janus Capital Management LLC (since September 2017). Formerly, Global Head of Investment Management Compliance for Janus Henderson Investors (February 2019 – August 2020), Vice President, Head of Global Distribution Compliance and Chief Compliance Officer of Janus Henderson Distributors (May 2017-September 2017), Vice President, Compliance at Janus Capital Group Inc., Janus Capital Management LLC, and Janus Distributors LLC (2009-2017).
Jesper Nergaard 151 Detroit Street Denver, CO 80206 DOB: 1962	Chief Financial Officer Vice President, Treasurer, and Principal Accounting Officer	3/05-Present 2/05-Present	Head of U.S. Fund Administration, Janus Henderson Investors and Janus Services LLC.
Abigail J. Murray 151 Detroit Street Denver, CO 80206 DOB: 1975	Vice President, Chief Legal Officer, and Secretary	12/20-Present	Managing Counsel (2020-present). Formerly, Senior Counsel for Invesco Ltd. (2017-2020), and Vice President and Senior Counsel, ALPS Fund Services, Inc. and Assistant General Counsel, ALPS Advisors, Inc. (2015-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Balanced Portfolio

Notes

This report is submitted for the general information of shareholders of the Portfolio. It is not an offer or solicitation for the Portfolio and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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Janus Henderson Distributors

Janus Henderson VIT Global Research Portfolio

Janus Aspen Series

HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings

Janus Henderson
— INVESTORS —

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Janus Henderson VIT Global Research Portfolio

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PORTFOLIO SNAPSHOT

We believe that the best way to generate consistent excess returns is stock picking based on independent research. We focus the risks of the Portfolio on what we feel are our strengths – research and stock selection – and seek to avoid unnecessary risks, specifically macro risks and other portfolio biases. Therefore, we let sector experts drive the process and pick their best ideas and use a portfolio oversight team to monitor the risk of the Portfolio and keep it focused on stock selection.

Team-Based Approach
Led by Matthew Peron,
Director of Research

PERFORMANCE SUMMARY

Janus Henderson Global Research Portfolio's Institutional Shares and Service Shares returned 20.06% and 19.76%, respectively, over the 12-month period ending December 31, 2020, while its primary benchmark, the MSCI World IndexSM, returned 15.90%. The Portfolio's secondary benchmark, the MSCI All Country World IndexSM, returned 16.25%.

MARKET ENVIRONMENT

Global equities generated solid gains for the year, recovering from a sharp downturn in March sparked by the worldwide spread of COVID-19 and ensuing fears of a global economic recession. Unprecedented monetary and fiscal stimulus by governments and central banks around the world, along with the development and approval of COVID-19 vaccines, supported the recovery in equities. A favorable earnings backdrop also contributed to the market's resilience. Although the rebound in the markets was led primarily by large-cap technology and health care stocks, toward the end of the period, market leadership showed signs of expanding to more cyclical and value-oriented businesses in areas of the market that historically have performed well during an economic recovery.

PERFORMANCE DISCUSSION

Our seven global sector teams employ a bottom-up, fundamental approach to identify what we consider the best global opportunities. Our analysts take a long-term view of companies with a focus on value creation and duration of growth, which may lead to high returns on invested capital. The Portfolio directly captures the insights of our teams through their highest-conviction ideas. In building a diversified portfolio, we seek to minimize macroeconomic risks while generating superior performance over longer periods.

Contributing most to relative performance were the Portfolio's selection of financials and communications

stocks. Conversely, weak security selection within the energy and health care sectors limited relative gains.

On an individual stock basis, top relative contributors included technology holdings Taiwan Semiconductor Manufacturing Company (TSMC), ASML Holding and Adobe. Rising demand for 5G technology, high-performance computing applications and the Internet of Things continued to support a positive outlook for the semiconductor industry. Companies such as TSMC, a semiconductor foundry company, and ASML, a manufacturer of chip-making equipment, subsequently benefited. Adobe continued to benefit from robust growth in digital media across creative and document clouds. The software maker saw increased demand for its products due to an acceleration in these trends as more people worked from home during quarantines.

Key contributors to the Portfolio's performance also included companies affected by changes in consumer behaviors due to the pandemic. For example, an acceleration in online commerce lifted the stock of Amazon.com. Its Amazon Web Services (AWS) cloud computing platform also saw continued strength, driven in part by an increase in the number of people working from home.

On an individual stock basis, notable relative detractors included a strong-performing technology-related stock that does not meet our investment criteria and, consequently, is not held in the Portfolio. However, among stocks that are held in the Portfolio, technology hardware and services company Apple was a top detractor. The Portfolio held a notably smaller position in the stock than the index. Given the large share of the index that Apple commands, this prevented us from benefiting from the stock's strong gains to the same degree as our benchmark. Shares advanced on enthusiasm surrounding the 5G product cycle.

Janus Henderson VIT Global Research Portfolio (unaudited)

Decreased demand for oil during the pandemic and Saudi Arabia's decision to bring incremental supply into a weak market caused oil prices to plummet during the period. Our holdings in integrated energy company Suncor Energy and shale oil and gas producer EOG Resources subsequently detracted from the Portfolio's relative results. We are optimistic about steps Suncor is taking to navigate the current challenging environment, including reducing operating expenses and cutting its shareholder dividend to help preserve balance sheet strength. Furthermore, Suncor runs a significant percentage of oil it produces through its own refineries, providing it with a deep understanding of how to take advantage of dislocations in the value chain. We are less optimistic about EOG Resources and liquidated our position in the stock as a means of reducing our upstream exposure to exploration companies.

Other notable detractors included companies that experienced a significant disruption as a result of the global pandemic. For example, the impact of the pandemic on travel demand weighed on Norwegian Cruise Line Holdings. The cruise ship operator suffered from a significant increase in cancellations and decrease in bookings. Given the severity of the stock's decline, we sold our position.

OUTLOOK

Our outlook for equities in 2021 is positive, supported by expectations of strong earnings growth and the notion that the global economy may be healing more rapidly than anticipated. While we recognize that businesses and households could again shut their wallets in the event of an extended and uncontrolled increase in COVID-19 infections, many countries have coalesced around the idea that certain economic activity remains essential and many companies have learned to adapt their business models to accommodate changes in client behavior. Still other companies have benefited from helping businesses and households navigate the health crisis, such as those providing remote working and e-commerce solutions and innovative pharmaceutical and biotechnology firms developing COVID-19 therapies and vaccines.

The value these sectors added to the economy in 2020 enabled them to generate some of the year's highest market returns and, as evidence builds that a V-shaped recovery is emerging, we believe they have the potential to be joined by other sectors. Improving economic conditions are already being reflected in corporate earnings and upwardly revised estimates for the coming

quarters. Notably, leading the expected earnings gains for 2021 are industrials, consumer discretionary and materials – three sectors typically dependent upon broad economic growth.

While a broadening recovery in equities, in our view, is grounded in favorable fundamentals, certain risks remain. Among them are the unknown duration of the pandemic and, in the U.S., potential changes in the regulatory environment and a possible inflationary surprise. Although we remain cognizant of these risks, we view fundamentals, forward-looking management teams and low interest rates as strong catalysts capable of helping equity markets overcome adversity and therefore look forward to 2021 with optimism.

Thank you for your investment in Janus Henderson VIT Global Research Portfolio.

Janus Henderson VIT Global Research Portfolio (unaudited)

Portfolio At A Glance

December 31, 2020

5 Top Contributors - Holdings

	Average Weight	Relative Contribution		Average Weight	Relative Contribution
Taiwan Semiconductor Manufacturing Co Ltd	1.51%	0.74%	Apple Inc	1.57%	-1.35%
ASML Holding NV	2.00%	0.71%	Suncor Energy Inc	0.60%	-0.60%
Amazon.com Inc	3.71%	0.59%	Norwegian Cruise Line Holdings Ltd	0.13%	-0.59%
Hexagon AB	1.37%	0.58%	Microsoft Corp	2.60%	-0.50%
Adobe Inc	2.20%	0.52%	EOG Resources Inc	0.15%	-0.41%

5 Top Detractors - Holdings

4 Top Contributors - Sectors*

	Relative Contribution	Portfolio Average Weight	MSCI World Index Average Weight
Financials	3.12%	18.53%	18.36%
Communications	2.05%	10.62%	10.53%
Consumer	0.56%	17.16%	17.28%
Industrials	0.54%	16.34%	16.40%

4 Top Detractors - Sectors*

	Relative Contribution	Portfolio Average Weight	MSCI World Index Average Weight
Energy	-0.71%	6.70%	6.71%
Healthcare	-0.52%	13.67%	13.84%
Other**	-0.34%	0.41%	0.09%
Technology	-0.10%	16.57%	16.79%

Relative contribution reflects how the portfolio'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.

* The sectors listed above reflect those covered by the six analyst teams who comprise the Janus Henderson Research Team.

** Not a GICS classified sector.

Janus Henderson VIT Global Research Portfolio (unaudited)

Portfolio At A Glance

December 31, 2020

5 Largest Equity Holdings - (% of Net Assets)

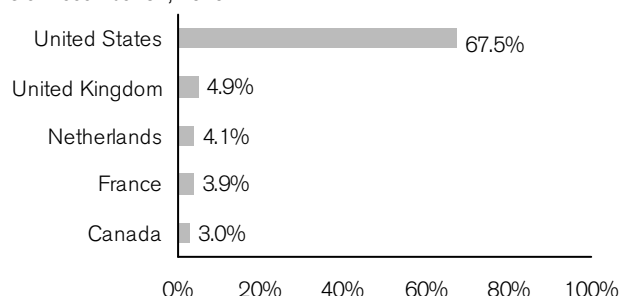
Microsoft Corp	
Software	4.2%
Amazon.com Inc	
Internet & Direct Marketing Retail	3.4%
Apple Inc	
Technology Hardware, Storage & Peripherals	3.2%
Alphabet Inc - Class C	
Interactive Media & Services	2.7%
ASML Holding NV	
Semiconductor & Semiconductor Equipment	2.3%
	15.8%

Asset Allocation - (% of Net Assets)

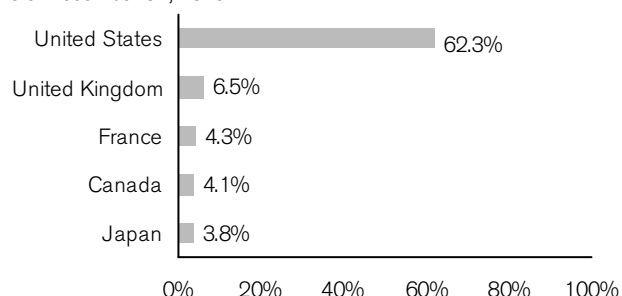
Common Stocks	99.6%
Investment Companies	0.4%
Investments Purchased with Cash	
Collateral from Securities Lending	0.3%
Other	(0.3)%
	100.0%

Top Country Allocations - Long Positions - (% of Investment Securities)

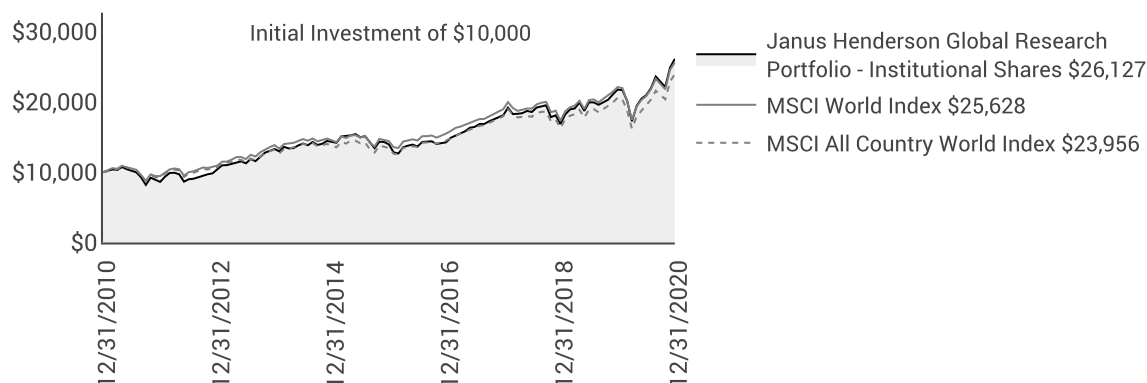
As of December 31, 2020



As of December 31, 2019



Janus Henderson VIT Global Research Portfolio (unaudited) Performance



Average Annual Total Return - for the periods ended December 31, 2020					Expense Ratios
	One Year	Five Year	Ten Year	Since Inception*	Total Annual Fund Operating Expenses†
Institutional Shares	20.06%	13.35%	10.08%	8.92%	0.79%
Service Shares	19.76%	13.06%	9.81%	8.64%	1.04%
MSCI World Index	15.90%	12.19%	9.87%	7.54%	
MSCI All Country World Index	16.25%	12.26%	9.13%	N/A**	
Morningstar Quartile - Institutional Shares	2nd	2nd	2nd	2nd	
Morningstar Ranking - based on total returns for World Large Stock Funds	327/894	247/739	201/538	87/167	

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit janushenderson.com/VITperformance.

This Portfolio has a performance-based management fee that may adjust up or down based on the Portfolio's performance.

Performance may be affected by risks that include those associated with foreign and emerging markets, fixed income securities, high-yield and high-risk securities, undervalued, overlooked and smaller capitalization companies, real estate related securities including Real Estate Investment Trusts (REITs), non-diversification, portfolio turnover, derivatives, short sales, initial public offerings (IPOs) and potential conflicts of interest. Each product has different risks. Please see the prospectus for more information about risks, holdings and other details.

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

Returns include reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Performance for Service Shares prior to December 31, 1999 reflects the performance of Institutional Shares adjusted to reflect the expenses of Service Shares.

Ranking is for the share class shown only; other classes may have different performance characteristics.

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There is no assurance that the investment process will consistently lead to successful investing.

See Notes to Schedule of Investments and Other Information for index definitions.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

See important disclosures on the next page.

Janus Henderson VIT Global Research Portfolio (unaudited)

Performance

See "Useful Information About Your Portfolio Report."

Effective April 13, 2020, Matthew Peron is the Portfolio Manager of the Portfolio and provides general oversight of the Research Team.

*The Portfolio's inception date – September 13, 1993

‡ As stated in the prospectus. See Financial Highlights for actual expense ratios during the reporting period.

**Since inception return is not shown for the index because the index's inception date differs significantly from the Portfolio's inception date.

Janus Henderson VIT Global Research 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/fundalyzer.

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)			Net Annualized Expense Ratio
	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	
Institutional							
Shares	\$1,000.00	\$1,246.70	\$4.69	\$1,000.00	\$1,020.96	\$4.22	0.83%
Service Shares	\$1,000.00	\$1,245.20	\$6.15	\$1,000.00	\$1,019.66	\$5.53	1.09%

† Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period). Expenses in the examples include the effect of applicable fee waivers and/or expense reimbursements, if any. Had such waivers and/or reimbursements not been in effect, your expenses would have been higher. Please refer to the Notes to Financial Statements or the Portfolio's prospectuses for more information regarding waivers and/or reimbursements.

Janus Henderson VIT Global Research Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– 99.6%		
Aerospace & Defense – 3.1%		
CAE Inc	262,601	\$7,277,392
L3Harris Technologies Inc	45,055	8,516,296
Safran SA*	74,126	10,511,234
		26,304,922
Air Freight & Logistics – 1.0%		
United Parcel Service Inc	49,010	8,253,284
Airlines – 0.8%		
Ryanair Holdings PLC (ADR)*	57,869	6,364,433
Auto Components – 1.0%		
Aptiv PLC	61,339	7,991,858
Automobiles – 0.3%		
Maruti Suzuki India Ltd	27,481	2,883,750
Banks – 3.9%		
BNP Paribas SA*	90,207	4,757,288
Citigroup Inc	134,440	8,289,570
HDFC Bank Ltd*	229,255	4,516,164
JPMorgan Chase & Co	116,644	14,821,953
		32,384,975
Beverages – 3.4%		
Constellation Brands Inc	73,933	16,195,024
Pernod Ricard SA	66,041	12,657,660
		28,852,684
Biotechnology – 3.1%		
AbbVie Inc	74,211	7,951,709
Alexion Pharmaceuticals Inc*	19,894	3,108,239
Ascendis Pharma A/S (ADR)*	16,788	2,799,903
Global Blood Therapeutics Inc*	29,556	1,280,070
Neurocrine Biosciences Inc*	33,071	3,169,855
Sarepta Therapeutics Inc*	19,985	3,407,243
Vertex Pharmaceuticals Inc*	16,814	3,973,821
		25,690,840
Building Products – 1.2%		
Daikin Industries Ltd	45,800	10,201,911
Capital Markets – 2.5%		
Blackstone Group Inc	118,228	7,662,357
London Stock Exchange Group PLC	51,336	6,326,984
Morgan Stanley	106,161	7,275,213
		21,264,554
Chemicals – 1.8%		
Air Products & Chemicals Inc	28,550	7,800,431
Sherwin-Williams Co	10,423	7,659,967
		15,460,398
Consumer Finance – 1.6%		
Nexi SpA (144A)*	368,229	7,313,926
Synchrony Financial	164,461	5,708,441
		13,022,367
Electronic Equipment, Instruments & Components – 2.6%		
Hexagon AB	150,541	13,715,122
Keyence Corp	14,500	8,161,529
		21,876,651
Entertainment – 2.4%		
Liberty Media Corp-Liberty Formula One*	193,189	8,229,851
Netflix Inc*	22,511	12,172,373
		20,402,224
Equity Real Estate Investment Trusts (REITs) – 1.1%		
American Tower Corp	13,320	2,989,807
Crown Castle International Corp	19,644	3,127,128

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Global Research Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– (continued)		
Equity Real Estate Investment Trusts (REITs)– (continued)		
Equinix Inc	4,273	\$3,051,691
		9,168,626
Health Care Equipment & Supplies – 2.3%		
Abbott Laboratories	54,071	5,920,234
Boston Scientific Corp*	181,044	6,508,532
Dentsply Sirona Inc	53,134	2,782,096
Edwards Lifesciences Corp*	41,659	3,800,551
		19,011,413
Health Care Providers & Services – 1.2%		
Centene Corp*	62,624	3,759,319
Humana Inc	14,310	5,870,964
		9,630,283
Hotels, Restaurants & Leisure – 2.9%		
GVC Holdings PLC*	634,052	9,840,660
McDonald's Corp	32,829	7,044,447
Sands China Ltd	1,672,800	7,353,224
		24,238,331
Household Durables – 0.7%		
Roku Inc*	17,900	5,943,158
Independent Power and Renewable Electricity Producers – 1.7%		
NRG Energy Inc	227,463	8,541,236
Vistra Energy Corp	297,676	5,852,310
		14,393,546
Industrial Conglomerates – 1.1%		
Honeywell International Inc	41,509	8,828,964
Information Technology Services – 4.2%		
Fidelity National Information Services Inc	54,016	7,641,103
Mastercard Inc	39,242	14,007,039
Visa Inc	62,128	13,589,257
		35,237,399
Insurance – 5.0%		
AIA Group Ltd	897,200	11,051,768
Aon PLC	33,803	7,141,560
Beazley PLC	755,020	3,743,235
Intact Financial Corp	39,773	4,710,133
Progressive Corp	78,969	7,808,455
Prudential PLC	378,060	6,977,281
		41,432,432
Interactive Media & Services – 5.3%		
Alphabet Inc - Class C*	12,678	22,210,335
Facebook Inc*	52,018	14,209,237
Tencent Holdings Ltd	103,000	7,526,167
		43,945,739
Internet & Direct Marketing Retail – 5.9%		
Amazon.com Inc*	8,835	28,774,977
Booking Holdings Inc*	4,098	9,127,352
DoorDash Inc - Class A*#	19,686	2,810,177
MercadoLibre Inc*	5,286	8,855,213
		49,567,719
Life Sciences Tools & Services – 0.7%		
Thermo Fisher Scientific Inc	13,312	6,200,463
Machinery – 1.2%		
Parker-Hannifin Corp	37,454	10,202,844
Metals & Mining – 1.6%		
Rio Tinto PLC	108,007	8,080,302
Teck Resources Ltd	299,034	5,427,583
		13,507,885

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Global Research Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– (continued)		
Multi-Utilities – 1.0%		
RWE AG	206,492	\$8,720,223
Oil, Gas & Consumable Fuels – 3.1%		
Canadian Natural Resources Ltd	174,806	4,201,552
Cheniere Energy Inc*	57,758	3,467,213
ConocoPhillips	101,490	4,058,585
Enterprise Products Partners LP	126,307	2,474,354
Marathon Petroleum Corp	91,244	3,773,852
Suncor Energy Inc	202,907	3,403,838
Total SE	107,793	4,649,388
		26,028,782
Personal Products – 1.8%		
Unilever PLC	247,694	14,996,217
Pharmaceuticals – 5.5%		
AstraZeneca PLC	65,185	6,511,596
Bristol-Myers Squibb Co	77,189	4,788,034
Catalent Inc*	51,799	5,390,722
Elanco Animal Health Inc*	142,935	4,383,816
Merck & Co Inc	112,108	9,170,434
Novartis AG	87,725	8,288,505
Roche Holding AG	20,878	7,286,968
		45,820,075
Road & Rail – 1.3%		
Uber Technologies Inc*	211,712	10,797,312
Semiconductor & Semiconductor Equipment – 6.6%		
ASML Holding NV	40,156	19,403,379
Microchip Technology Inc	60,171	8,310,217
Taiwan Semiconductor Manufacturing Co Ltd	807,000	15,157,195
Texas Instruments Inc	75,794	12,440,069
		55,310,860
Software – 9.2%		
Adobe Inc*	35,869	17,938,804
Autodesk Inc*	30,821	9,410,884
Microsoft Corp	159,215	35,412,600
SS&C Technologies Holdings Inc	88,367	6,428,699
Workday Inc*	32,688	7,832,372
		77,023,359
Technology Hardware, Storage & Peripherals – 3.2%		
Apple Inc	203,379	26,986,360
Textiles, Apparel & Luxury Goods – 2.1%		
adidas AG*	24,123	8,780,378
NIKE Inc	63,449	8,976,130
		17,756,508
Trading Companies & Distributors – 1.7%		
Ferguson PLC	114,297	13,897,700
Wireless Telecommunication Services – 0.5%		
T-Mobile US Inc*	27,980	3,773,103
Total Common Stocks (cost \$521,713,082)		833,374,152
Investment Companies– 0.4%		
Money Markets – 0.4%		
Janus Henderson Cash Liquidity Fund LLC, 0.1108% ^{∞,£} (cost \$3,707,498)	3,707,127	3,707,498
Investments Purchased with Cash Collateral from Securities Lending– 0.3%		
Investment Companies – 0.2%		
Janus Henderson Cash Collateral Fund LLC, 0.0264% ^{∞,£}	1,691,642	1,691,642

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Global Research Portfolio
Schedule of Investments
December 31, 2020

	<i>Shares or Principal Amounts</i>	<i>Value</i>
Investments Purchased with Cash Collateral from Securities Lending– (continued)		
Time Deposits – 0.1%		
Canadian Imperial Bank of Commerce, 0.0800%, 1/4/21	\$422,910	\$422,910
Total Investments Purchased with Cash Collateral from Securities Lending (cost \$2,114,552)		2,114,552
Total Investments (total cost \$527,535,132) – 100.3%		839,196,202
Liabilities, net of Cash, Receivables and Other Assets – (0.3)%		(2,541,287)
Net Assets – 100%		\$836,654,915

Summary of Investments by Country - (Long Positions) (unaudited)

<i>Country</i>	<i>Value</i>	<i>% of Investment Securities</i>
United States	\$566,744,101	67.5 %
United Kingdom	41,480,058	4.9
Netherlands	34,399,596	4.1
France	32,575,570	3.9
Canada	25,020,498	3.0
Hong Kong	18,404,992	2.2
Japan	18,363,440	2.2
Germany	17,500,601	2.1
Switzerland	15,575,473	1.9
Taiwan	15,157,195	1.8
Sweden	13,715,122	1.6
Argentina	8,855,213	1.0
China	7,526,167	0.9
India	7,399,914	0.9
Italy	7,313,926	0.9
Ireland	6,364,433	0.8
Denmark	2,799,903	0.3
Total	\$839,196,202	100.0 %

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Global Research Portfolio

Schedule of Investments

December 31, 2020

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	Realized Gain/(Loss)	Change in Unrealized Appreciation/ Depreciation	Value at 12/31/20
Investment Companies - 0.4%				
Money Markets - 0.4%				
Janus Henderson [∞] Cash Liquidity Fund LLC, 0.1108%	\$ 9,896	\$ 300	\$ -	\$ 3,707,498
Investments Purchased with Cash Collateral from Securities Lending - 0.2%				
Investment Companies - 0.2%				
Janus Henderson [∞] Cash Collateral Fund LLC, 0.0264%	5,784 ^A	-	-	1,691,642
Total Affiliated Investments - 0.6%	\$ 15,680	\$ 300	\$ -	\$ 5,399,140

	Value at 12/31/19	Purchases	Sales Proceeds	Value at 12/31/20
Investment Companies - 0.4%				
Money Markets - 0.4%				
Janus Henderson [∞] Cash Liquidity Fund LLC, 0.1108%	-	65,345,289	(61,638,091)	3,707,498
Investments Purchased with Cash Collateral from Securities Lending - 0.2%				
Investment Companies - 0.2%				
Janus Henderson [∞] Cash Collateral Fund LLC, 0.0264%	-	10,603,701	(8,912,059)	1,691,642

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Global Research Portfolio

Notes to Schedule of Investments and Other Information

MSCI All Country World IndexSM MSCI All Country World IndexSM reflects the equity market performance of global developed and emerging markets.

MSCI World IndexSM MSCI World IndexSM reflects the equity market performance of global developed markets.

ADR American Depositary Receipt

LLC Limited Liability Company

LP Limited Partnership

PLC Public Limited Company

144A Securities sold under Rule 144A of the Securities Act of 1933, as amended, are subject to legal and/or contractual restrictions on resale and may not be publicly sold without registration under the 1933 Act. Unless otherwise noted, these securities have been determined to be liquid under guidelines established by the Board of Trustees. The total value of 144A securities as of the year ended December 31, 2020 is \$7,313,926, which represents 0.9% of net assets.

* Non-income producing security.

°° Rate shown is the 7-day yield as of December 31, 2020.

Loaned security; a portion of the security is on loan at December 31, 2020.

£ The Portfolio may invest in certain securities that are considered affiliated companies. As defined by the Investment Company Act of 1940, as amended, an affiliated company is one in which the Portfolio owns 5% or more of the outstanding voting securities, or a company which is under common ownership or control.

Δ Net of income paid to the securities lending agent and rebates paid to the borrowing counterparties.

Janus Henderson VIT Global Research Portfolio

Notes to Schedule of Investments and Other Information

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of December 31, 2020. See Notes to Financial Statements for more information.

Valuation Inputs Summary

	<i>Level 1 - Quoted Prices</i>	<i>Level 2 - Other Significant Observable Inputs</i>	<i>Level 3 - Significant Unobservable Inputs</i>
Assets			
Investments In Securities:			
<i>Common Stocks</i>			
Aerospace & Defense	\$ 15,793,688	\$ 10,511,234	\$ -
Automobiles	-	2,883,750	-
Banks	23,111,523	9,273,452	-
Beverages	16,195,024	12,657,660	-
Building Products	-	10,201,911	-
Capital Markets	14,937,570	6,326,984	-
Consumer Finance	5,708,441	7,313,926	-
Electronic Equipment, Instruments & Components	-	21,876,651	-
Hotels, Restaurants & Leisure	7,044,447	17,193,884	-
Insurance	19,660,148	21,772,284	-
Interactive Media & Services	36,419,572	7,526,167	-
Metals & Mining	5,427,583	8,080,302	-
Multi-Utilities	-	8,720,223	-
Oil, Gas & Consumable Fuels	21,379,394	4,649,388	-
Pharmaceuticals	23,733,006	22,087,069	-
Semiconductor & Semiconductor Equipment	20,750,286	34,560,574	-
Textiles, Apparel & Luxury Goods	8,976,130	8,780,378	-
Trading Companies & Distributors	-	13,897,700	-
All Other	385,923,803	-	-
<i>Investment Companies</i>	-	3,707,498	-
<i>Investments Purchased with Cash Collateral from Securities</i>			
<i>Lending</i>	-	2,114,552	-
Total Assets	\$ 605,060,615	\$ 234,135,587	\$ -

Janus Henderson VIT Global Research Portfolio

Statement of Assets and Liabilities

December 31, 2020

Assets:		
Unaffiliated investments, at value ⁽¹⁾⁽²⁾	\$	833,797,062
Affiliated investments, at value ⁽³⁾		5,399,140
Non-interested Trustees' deferred compensation		19,261
Receivables:		
Dividends		343,992
Foreign tax reclaims		218,980
Portfolio shares sold		170,607
Dividends from affiliates		478
Other assets		23,200
Total Assets		839,972,720
Liabilities:		
Due to custodian		4
Foreign cash due to custodian		19
Collateral for securities loaned (Note 2)		2,114,552
Payables:		
Advisory fees		548,148
Portfolio shares repurchased		362,701
Foreign tax liability		68,646
12b-1 Distribution and shareholder servicing fees		53,847
Transfer agent fees and expenses		42,094
Professional fees		41,875
Non-interested Trustees' deferred compensation fees		19,261
Custodian fees		4,012
Affiliated portfolio administration fees payable		1,908
Non-interested Trustees' fees and expenses		1,012
Accrued expenses and other payables		59,726
Total Liabilities		3,317,805
Net Assets	\$	836,654,915
Net Assets Consist of:		
Capital (par value and paid-in surplus)	\$	481,695,630
Total distributable earnings (loss) ⁽⁴⁾		354,959,285
Total Net Assets	\$	836,654,915
Net Assets - Institutional Shares	\$	600,867,664
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		9,444,118
Net Asset Value Per Share	\$	63.62
Net Assets - Service Shares	\$	235,787,251
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		3,803,031
Net Asset Value Per Share	\$	62.00

(1) Includes cost of \$522,135,992.

(2) Includes \$2,069,912 of securities on loan. See Note 2 in Notes to Financial Statements.

(3) Includes cost of \$5,399,140.

(4) Includes \$68,646 of foreign capital gains tax on investments.

See Notes to Financial Statements.

Janus Henderson VIT Global Research Portfolio

Statement of Operations

For the year ended December 31, 2020

Investment Income:		
Dividends	\$	11,675,115
Dividends from affiliates		9,896
Affiliated securities lending income, net		5,784
Unaffiliated securities lending income, net		105
Other income		9,245
Foreign tax withheld		(474,968)
Total Investment Income		11,225,177
Expenses:		
Advisory fees		5,385,071
12b-1 Distribution and shareholder servicing fees:		
Service Shares		518,699
Transfer agent administrative fees and expenses:		
Institutional Shares		259,962
Service Shares		103,740
Other transfer agent fees and expenses:		
Institutional Shares		25,997
Service Shares		4,940
Professional fees		57,856
Shareholder reports expense		48,801
Custodian fees		30,625
Registration fees		24,211
Affiliated portfolio administration fees		18,185
Non-interested Trustees' fees and expenses		13,650
Other expenses		79,911
Total Expenses		6,571,648
Net Investment Income/(Loss)		4,653,529
Net Realized Gain/(Loss) on Investments:		
Investments and foreign currency transactions		40,035,936
Investments in affiliates		300
Total Net Realized Gain/(Loss) on Investments		40,036,236
Change in Unrealized Net Appreciation/Depreciation:		
Investments, foreign currency translations and non-interested Trustees' deferred compensation ⁽¹⁾		94,175,782
Total Change in Unrealized Net Appreciation/Depreciation		94,175,782
Net Increase/(Decrease) in Net Assets Resulting from Operations	\$	138,865,547

(1) Includes change in unrealized appreciation/depreciation of \$(68,069) due to foreign capital gains tax on investments.

See Notes to Financial Statements.

Janus Henderson VIT Global Research Portfolio

Statements of Changes in Net Assets

	Year ended December 31, 2020		Year ended December 31, 2019	
Operations:				
Net investment income/(loss)	\$	4,653,529	\$	7,549,236
Net realized gain/(loss) on investments		40,036,236		39,064,185
Change in unrealized net appreciation/depreciation		94,175,782		132,017,612
Net Increase/(Decrease) in Net Assets Resulting from Operations		138,865,547		178,631,033
Dividends and Distributions to Shareholders:				
Institutional Shares		(31,186,676)		(35,853,466)
Service Shares		(12,545,127)		(13,833,812)
Net Decrease from Dividends and Distributions to Shareholders		(43,731,803)		(49,687,278)
Capital Share Transactions:				
Institutional Shares		(7,319,597)		(16,577,616)
Service Shares		(5,498,429)		(1,596,518)
Net Increase/(Decrease) from Capital Share Transactions		(12,818,026)		(18,174,134)
Net Increase/(Decrease) in Net Assets		82,315,718		110,769,621
Net Assets:				
Beginning of period		754,339,197		643,569,576
End of period	\$	836,654,915	\$	754,339,197

See Notes to Financial Statements.

Janus Henderson VIT Global Research Portfolio

Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$56.59	\$47.13	\$51.20	\$40.63	\$40.24
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	0.39	0.60	0.62	0.51	0.45
Net realized and unrealized gain/(loss)	10.04	12.67	(4.09)	10.45	0.37
Total from Investment Operations	10.43	13.27	(3.47)	10.96	0.82
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.41)	(0.54)	(0.60)	(0.39)	(0.43)
Distributions (from capital gains)	(2.99)	(3.27)	—	—	—
Total Dividends and Distributions	(3.40)	(3.81)	(0.60)	(0.39)	(0.43)
Net Asset Value, End of Period	\$63.62	\$56.59	\$47.13	\$51.20	\$40.63
Total Return*	20.06%	29.04%	(6.87)%	27.03%	2.07%
Net Assets, End of Period (in thousands)	\$600,868	\$539,915	\$463,402	\$540,594	\$469,321
Average Net Assets for the Period (in thousands)	\$516,468	\$511,859	\$533,418	\$512,287	\$478,402
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.84%	0.79%	0.60%	0.64%	0.65%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.84%	0.79%	0.60%	0.64%	0.65%
Ratio of Net Investment Income/(Loss)	0.72%	1.13%	1.19%	1.05%	1.15%
Portfolio Turnover Rate	33%	36%	36%	41%	45%

Service Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$55.27	\$46.15	\$50.17	\$39.87	\$39.53
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	0.25	0.45	0.48	0.38	0.35
Net realized and unrealized gain/(loss)	9.77	12.39	(4.00)	10.24	0.36
Total from Investment Operations	10.02	12.84	(3.52)	10.62	0.71
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.30)	(0.45)	(0.50)	(0.32)	(0.37)
Distributions (from capital gains)	(2.99)	(3.27)	—	—	—
Total Dividends and Distributions	(3.29)	(3.72)	(0.50)	(0.32)	(0.37)
Net Asset Value, End of Period	\$62.00	\$55.27	\$46.15	\$50.17	\$39.87
Total Return*	19.76%	28.71%	(7.08)%	26.68%	1.82%
Net Assets, End of Period (in thousands)	\$235,787	\$214,425	\$180,168	\$210,318	\$179,125
Average Net Assets for the Period (in thousands)	\$206,127	\$198,883	\$206,497	\$197,483	\$186,563
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	1.09%	1.04%	0.85%	0.89%	0.90%
Ratio of Net Expenses (After Waivers and Expense Offsets)	1.09%	1.04%	0.85%	0.89%	0.90%
Ratio of Net Investment Income/(Loss)	0.47%	0.88%	0.94%	0.81%	0.91%
Portfolio Turnover Rate	33%	36%	36%	41%	45%

* 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.

Janus Henderson VIT Global Research Portfolio

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Janus Henderson VIT Global Research Portfolio (the “Portfolio”) is a series of Janus Aspen Series (the “Trust”), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company, and therefore has applied the specialized accounting and reporting guidance in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946. The Trust offers 11 portfolios, each of which offers multiple share classes, with differing investment objectives and policies. The Portfolio seeks long-term growth of capital. The Portfolio is classified as diversified, as defined in the 1940 Act.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Each class represents an interest in the same portfolio of investments. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

Shareholders, including other portfolios, participating insurance companies, as well as accounts, may from time to time own (beneficially or of record) a significant percentage of the Portfolio's Shares and can be considered to “control” the Portfolio when that ownership exceeds 25% of the Portfolio's assets (and which may differ from control as determined in accordance with United States of America generally accepted accounting 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

Janus Henderson VIT Global Research Portfolio

Notes to Financial Statements

market participants would use in pricing an asset or liability and establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. These inputs are summarized into three broad levels:

Level 1 – Unadjusted quoted prices in active markets the Portfolio has the ability to access for identical assets or liabilities.

Level 2 – Observable inputs other than unadjusted quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Assets or liabilities categorized as Level 2 in the hierarchy generally include: debt securities fair valued in accordance with the evaluated bid or ask prices supplied by a pricing service; securities traded on OTC markets and listed securities for which no sales are reported that are fair valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees; certain short-term debt securities with maturities of 60 days or less that are fair valued at amortized cost; and equity securities of foreign issuers whose fair value is determined by using systematic fair valuation models provided by independent third parties in order to adjust for stale pricing which may occur between the close of certain foreign exchanges and the close of the NYSE. Other securities that may be categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, swaps, investments in unregistered investment companies, options, and forward contracts.

Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Portfolio's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for fair valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2020 to fair value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" in the Notes to Schedule of Investments and Other Information.

Investment Transactions and Investment Income

Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Portfolio is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Interest income is recorded daily on the accrual basis and includes amortization of premiums and accretion of discounts. The Portfolio classifies gains and losses on prepayments received as an adjustment to interest income. Debt securities may be placed in non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivables when collection of all or a portion of interest has become doubtful. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes. Income, as well as gains and losses, both realized and unrealized, are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets.

Expenses

The Portfolio bears expenses incurred specifically on its behalf. Each class of shares bears a portion of general expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Janus Henderson VIT Global Research Portfolio

Notes to Financial Statements

Indemnifications

In the normal course of business, the Portfolio may enter into contracts that contain provisions for indemnification of other parties against certain potential liabilities. The Portfolio's maximum exposure under these arrangements is unknown, and would involve future claims that may be made against the Portfolio that have not yet occurred. Currently, the risk of material loss from such claims is considered remote.

Foreign Currency Translations

The Portfolio does not isolate that portion of the results of operations resulting from the effect of changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held at the date of the financial statements. Net unrealized appreciation or depreciation of investments and foreign currency translations arise from changes in the value of assets and liabilities, including investments in securities held at the date of the financial statements, resulting from changes in the exchange rates and changes in market prices of securities held.

Currency gains and losses are also calculated on payables and receivables that are denominated in foreign currencies. The payables and receivables are generally related to foreign security transactions and income translations.

Foreign currency-denominated assets and forward currency contracts may involve more risks than domestic transactions, including currency risk, counterparty risk, political and economic risk, regulatory risk and equity risk. Risks may arise from unanticipated movements in the value of foreign currencies relative to the U.S. dollar.

Dividends and Distributions

The Portfolio may make semiannual distributions of substantially all of its investment income and an annual distribution of its net realized capital gains (if any).

The Portfolio may make certain investments in real estate investment trusts ("REITs") which pay dividends to their shareholders based upon funds available from operations. It is quite common for these dividends to exceed the REITs' taxable earnings and profits, resulting in the excess portion of such dividends being designated as a return of capital. If the Portfolio distributes such amounts, such distributions could constitute a return of capital to shareholders for federal income tax purposes.

Federal Income Taxes

The Portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income in accordance with the requirements of Subchapter M of the Internal Revenue Code. Management has analyzed the Portfolio's tax positions taken for all open federal income tax years, generally a three-year period, and has concluded that no provision for federal income tax is required in the Portfolio's financial statements. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

2. Other Investments and Strategies

Additional Investment Risk

In the aftermath of the 2007-2008 financial crisis, the financial sector experienced reduced liquidity in credit and other fixed-income markets, and an unusually high degree of volatility, both domestically and internationally. In response to the crisis, the United States and certain foreign governments, along with the U.S. Federal Reserve and certain foreign central banks, took a number of unprecedented steps designed to support the financial markets. For example, the enactment of the Dodd-Frank Act in 2010 provided for widespread regulation of financial institutions, consumer financial products and services, broker-dealers, over-the-counter derivatives, investment advisers, credit rating agencies, and mortgage lending, which expanded federal oversight in the financial sector, including the investment management industry. More recently, in response to the COVID-19 pandemic, the U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets, including reducing interest rates to record-low levels. Extremely low or negative interest rates may become more prevalent or may not work as intended. As there is little precedent for this situation, the impact on various markets that interest rate or other significant policy changes may have is unknown. The withdrawal of this support, a failure of measures put in place in response to such economic uncertainty, or investor perception that such efforts were not sufficient could each negatively affect financial markets generally, and the value and liquidity of specific securities. In addition, policy and legislative changes in the United States and in other countries continue to impact many aspects of financial regulation.

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Notes to Financial Statements

Widespread disease, including pandemics and epidemics, and natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Fund's investments. Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries, including the United States. These disruptions could prevent a Fund from executing advantageous investment decisions in a timely manner and negatively impact a Fund's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Fund. In addition, these disruptions could also impair the information technology and other operational systems upon which the Fund's service providers, including Janus Capital Management LLC ("Janus Capital") or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Fund's service providers to perform essential tasks on behalf of the Fund. Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance and reinsurance companies that insure or reinsure against the impact of natural disasters.

A number of countries in the European Union (the "EU") have experienced, and may continue to experience, severe economic and financial difficulties. In particular, many EU nations are susceptible to economic risks associated with high levels of debt. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts. Many other issuers have faced difficulties obtaining credit or refinancing existing obligations. Financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit. As a result, financial markets in the EU have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen, or spread further within the EU. Responses to these financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest, and may limit future growth and economic recovery or have other unintended consequences. The risk of investing in securities in the European markets may also be heightened due to the referendum in which the United Kingdom voted to exit the EU, commonly known as "Brexit," which immediately led to significant market volatility around the world, as well as political, economic and legal uncertainty. The United Kingdom formally left the EU on January 31, 2020 and entered into an eleven-month transition period, which expired on December 31, 2020. The negative impact on not only the United Kingdom and European economies could be significant, potentially resulting in increased volatility and illiquidity and lower economic growth for companies that rely significantly on the United Kingdom and/or Europe for their business activities and revenues. Any further exits from the EU, or an increase in the belief that such exits are likely or possible, would likely cause additional market disruption globally and introduce new legal and regulatory uncertainties.

Counterparties

Portfolio transactions involving a counterparty are subject to the risk that the counterparty or a third party will not fulfill its obligation to the Portfolio ("counterparty risk"). Counterparty risk may arise because of the counterparty's financial condition (i.e., financial difficulties, bankruptcy, or insolvency), market activities and developments, or other reasons, whether foreseen or not. A counterparty's inability to fulfill its obligation may result in significant financial loss to the Portfolio. The Portfolio may be unable to recover its investment from the counterparty or may obtain a limited recovery, and/or recovery may be delayed. The extent of the Portfolio's exposure to counterparty risk with respect to financial assets and liabilities approximates its carrying value.

The Portfolio may be exposed to counterparty risk through participation in various programs, including, but not limited to, lending its securities to third parties, cash sweep arrangements whereby the Portfolio's cash balance is invested in one or more types of cash management vehicles, as well as investments in, but not limited to, repurchase agreements, debt securities, and derivatives, including various types of swaps, futures and options. The Portfolio intends to enter into financial transactions with counterparties that Janus Capital Management LLC ("Janus Capital") believes to be creditworthy at the time of the transaction. There is always the risk that Janus Capital's analysis of a counterparty's creditworthiness is incorrect or may change due to market conditions. To the extent that the Portfolio focuses its transactions with a limited number of counterparties, it will have greater exposure to the risks associated with one or more counterparties.

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Notes to Financial Statements

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

<i>Counterparty</i>	<i>Gross Amounts of Recognized Assets</i>	<i>Offsetting Asset or Liability^(a)</i>	<i>Collateral Pledged^(b)</i>	<i>Net Amount</i>
JPMorgan Chase Bank, National Association	\$ 2,069,912	\$ —	\$ (2,069,912)	\$ —

(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.

Securities Lending

Under procedures adopted by the Trustees, the Portfolio may seek to earn additional income by lending securities to certain qualified broker-dealers and institutions. JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. The Portfolio may lend portfolio securities in an amount equal to up to 1/3 of its total assets as determined at the time of the loan origination. There is the risk of delay in recovering a loaned security or the risk of loss in collateral rights if the borrower fails financially. In addition, Janus Capital makes efforts to balance the benefits and risks from granting such loans. All loans will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the 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.

Janus Henderson VIT Global Research Portfolio

Notes to Financial Statements

Upon receipt of cash collateral, Janus Capital may invest it in affiliated or non-affiliated cash management vehicles, whether registered or unregistered entities, as permitted by the 1940 Act and rules promulgated thereunder. Janus Capital currently intends to primarily invest the cash collateral in a cash management vehicle for which Janus Capital serves as investment adviser, Janus Henderson Cash Collateral Fund LLC, or in time deposits. An investment in Janus Henderson Cash Collateral Fund LLC is generally subject to the same risks that shareholders experience when investing in similarly structured vehicles, such as the potential for significant fluctuations in assets as a result of the purchase and redemption activity of the securities lending program, a decline in the value of the collateral, and possible liquidity issues. Such risks may delay the return of the cash collateral and cause the Portfolio to violate its agreement to return the cash collateral to a borrower in a timely manner. As adviser to the Portfolio and Janus Henderson Cash Collateral Fund LLC, Janus Capital has an inherent conflict of interest as a result of its fiduciary duties to both the Portfolio and Janus Henderson Cash Collateral Fund LLC. Additionally, Janus Capital receives an investment advisory fee of 0.05% for managing Janus Henderson Cash Collateral Fund LLC, but it may not receive a fee for managing certain other affiliated cash management vehicles in which the Portfolio may invest, and therefore may have an incentive to allocate preferred investment opportunities to investment vehicles for which it is receiving a fee.

The value of the collateral must be at least 102% of the market value of the loaned securities that are denominated in U.S. dollars and 105% of the market value of the loaned securities that are not denominated in U.S. dollars. Loaned securities and related collateral are marked-to-market each business day based upon the market value of the loaned securities at the close of business, employing the most recent available pricing information. Collateral levels are then adjusted based on this mark-to-market evaluation.

The cash collateral invested by Janus Capital is disclosed in the Schedule of Investments (if applicable).

Income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to the lending agent are included as "Affiliated securities lending income, net" on the Statement of Operations. As of December 31, 2020, securities lending transactions accounted for as secured borrowings with an overnight and continuous contractual maturity are \$2,069,912. Gross amounts of recognized liabilities for securities lending (collateral received) as of December 31, 2020 is \$2,114,552, resulting in the net amount due to the counterparty of \$44,640.

3. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays Janus Capital an investment advisory fee which is calculated daily and paid monthly. The Portfolio's "base" fee rate prior to any performance adjustment (expressed as an annual rate) is 0.60%.

The investment advisory fee rate is determined by calculating a base fee and applying a performance adjustment. The base fee rate is the same as the contractual investment advisory fee rate. The performance adjustment either increases or decreases the base fee depending on how well the Portfolio has performed relative to its benchmark index. The Portfolio's benchmark index used in the calculation is the MSCI World IndexSM.

The calculation of the performance adjustment applies as follows:

Investment Advisory Fee = Base Fee Rate +/- Performance Adjustment

The investment advisory fee rate paid to Janus Capital by the Portfolio consists of two components: (1) a base fee calculated by applying the contractual fixed rate of the advisory fee to the Portfolio's average daily net assets during the previous month ("Base Fee Rate"), plus or minus (2) a performance-fee adjustment ("Performance Adjustment") calculated by applying a variable rate of up to 0.15% (positive or negative) to the Portfolio's average daily net assets based on the Portfolio's relative performance compared to the cumulative investment record of its benchmark index over a 36-month performance measurement period or shorter time period, as applicable. The investment performance of a Portfolio's Service Shares, for the performance measurement period is used to calculate the Performance Adjustment. No Performance Adjustment is applied unless the difference between the Portfolio's investment performance and the cumulative investment record of the Portfolio's benchmark index is 0.50% or greater (positive or negative) during the applicable performance measurement period.

The Portfolio's prospectuses and statement(s) of additional information contain additional information about performance-based fees. The amount shown as advisory fees on the Statement of Operations reflects the Base Fee Rate plus/minus any Performance Adjustment. For the year ended December 31, 2020, the performance adjusted investment advisory fee rate before any waivers and/or reimbursements of expenses is 0.74%.

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Notes to Financial Statements

Janus Services LLC ("Janus Services"), a wholly-owned subsidiary of Janus Capital, is the Portfolio's transfer agent. Janus Services receives an administrative services fee at an annual rate of 0.05% of the average daily net assets of the Portfolio for arranging for the provision by participating insurance companies and qualified plan service providers of administrative services, including recordkeeping, subaccounting, order processing, or other shareholder services provided on behalf of contract holders or plan participants investing in the Portfolio. Other shareholder services may include the provision of order confirmations, periodic account statements, forwarding prospectuses, shareholder reports, and other materials to existing investors, and answering inquiries regarding accounts. Janus Services expects to use this entire fee to compensate insurance companies and qualified plan service providers for providing these services to their customers who invest in the Portfolio. Any unused portion will be reimbursed to the applicable share class at least annually.

In addition, Janus Services provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. Janus Services is not compensated for these internal services related to the shares, except for out-of-pocket costs. These amounts are disclosed as "Other transfer agent fees and expenses" on the Statement of Operations.

Under a distribution and shareholder servicing plan (the "Plan") adopted in accordance with Rule 12b-1 under the 1940 Act, the Service Shares may pay the Trust's distributor, Janus Distributors LLC ("Janus Distributors"), a wholly-owned subsidiary of Janus Capital, a fee for the sale and distribution and/or shareholder servicing of the Service Shares at an annual rate of up to 0.25% of the average daily net assets of the Service Shares. Under the terms of the Plan, the Trust is authorized to make payments to Janus Distributors for remittance to insurance companies and qualified plan service providers as compensation for distribution and/or shareholder services performed by such entities. These amounts are disclosed as "12b-1 Distribution and shareholder servicing fees" on the Statement of Operations. Payments under the Plan are not tied exclusively to actual 12b-1 distribution and servicing fees, and the payments may exceed 12b-1 distribution and servicing fees actually incurred. If any of the Portfolio's actual 12b-1 distribution and servicing fees incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in "12b-1 Distribution and shareholder servicing fees" in the Statement of Operations.

Janus Capital serves as administrator to the Portfolio pursuant to an administration agreement between Janus Capital and the Trust. Under the administration agreement, Janus Capital is obligated to provide or arrange for the provision of certain administration, compliance, and accounting services to the Portfolio, including providing office space for the Portfolio, and is reimbursed by the Portfolio for certain of its costs in providing these services (to the extent Janus Capital seeks reimbursement and such costs are not otherwise waived). In addition, employees of Janus Capital and/or its affiliates may serve as officers of the Trust. The Portfolio pays for some or all of the salaries, fees, and expenses of Janus Capital employees and Portfolio officers, with respect to certain specified administration functions they perform on behalf of the Portfolio. The Portfolio pays these costs based on out-of-pocket expenses incurred by Janus Capital, and these costs are separate and apart from advisory fees and other expenses paid in connection with the investment advisory services Janus Capital (or any subadvisor, as applicable) provides to the Portfolio. These amounts are disclosed as "Affiliated portfolio administration fees" on the Statement of Operations. In addition, some expenses related to compensation payable to the Portfolio's Chief Compliance Officer and certain compliance staff, all of whom are employees of Janus Capital and/or its affiliates, are shared with the Portfolio. Total compensation of \$34,973 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2020. The Portfolio's portion is reported as part of "Other expenses" on the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the "Deferred Plan") for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus Henderson funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/(depreciation) and is included as of December 31, 2020 on the Statement of Assets and Liabilities in the asset, "Non-interested Trustees' deferred compensation," and liability, "Non-interested Trustees' deferred compensation fees." Additionally, the recorded unrealized appreciation/(depreciation) is included in "Total distributable earnings (loss)" on the Statement of Assets and Liabilities. Deferred compensation expenses for the year ended December 31, 2020 are included in "Non-interested

Janus Henderson VIT Global Research Portfolio

Notes to Financial Statements

Trustees' fees and expenses" on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan. Deferred fees of \$471,450 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2020.

Pursuant to the provisions of the 1940 Act and related rules, the Portfolio may participate in an affiliated or non-affiliated cash sweep program. In the cash sweep program, uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or non-affiliated money market funds or cash management pooled investment vehicles that operate as money market funds. The Portfolio is eligible to participate in the cash sweep program (the "Investing Funds"). As adviser, Janus Capital has an inherent conflict of interest because of its fiduciary duties to the affiliated money market funds or cash management pooled investment vehicles and the Investing Funds. Janus Henderson Cash Liquidity Fund LLC (the "Sweep Vehicle") is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. The Sweep Vehicle operates pursuant to the provisions of the 1940 Act that govern the operation of money market funds and prices its shares at NAV reflecting market-based values of its portfolio securities (i.e., a "floating" NAV) rounded to the fourth decimal place (e.g., \$1.0000). The Sweep Vehicle is permitted to impose a liquidity fee (of up to 2%) on redemptions from the Sweep Vehicle or a redemption gate that temporarily suspends redemptions from the Sweep Vehicle for up to 10 business days during a 90 day period. There are no restrictions on the Portfolio's ability to withdraw investments from the Sweep Vehicle at will, and there are no unfunded capital commitments due from the Portfolio to the Sweep Vehicle. The Sweep Vehicle does not charge any management fee, sales charge or service fee.

Any purchases and sales, realized gains/losses and recorded dividends from affiliated investments during the year ended December 31, 2020 can be found in the "Schedules of Affiliated Investments" located in the Schedule of Investments.

The Portfolio is permitted to purchase or sell securities ("cross-trade") between itself and other funds or accounts managed by Janus Capital in accordance with Rule 17a-7 under the Investment Company Act of 1940 ("Rule 17a-7"), when the transaction is consistent with the investment objectives and policies of the Portfolio and in accordance with the Internal Cross Trade Procedures adopted by the Trust's Board of Trustees. These procedures have been designed to ensure that any cross-trade of securities by the Portfolio from or to another fund or account that is or could be considered an affiliate of the Portfolio under certain limited circumstances by virtue of having a common investment adviser, common Officer, or common Trustee complies with Rule 17a-7. Under these procedures, each cross-trade is effected at the current market price to save costs where allowed. During the year ended December 31, 2020, the Portfolio engaged in cross trades amounting to \$1,321,672 in purchases.

Janus Henderson VIT Global Research Portfolio

Notes to Financial Statements

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 (reduced by foreign tax liability).

Other book to tax differences primarily consist of deferred compensation and foreign currency contract adjustments. The Portfolio has elected to treat gains and losses on forward foreign currency contracts as capital gains and losses, if applicable. Other foreign currency gains and losses on debt instruments are treated as ordinary income for federal income tax purposes pursuant to Section 988 of the Internal Revenue Code.

Undistributed Ordinary Income	Undistributed Long-Term Gains	Accumulated Capital Losses	Loss Deferrals		Other Book to Tax Differences	Net Tax Appreciation/ (Depreciation)
			Late-Year Ordinary Loss	Post-October Capital Loss		
\$ 777,914	\$ 41,156,426	\$ -	\$ -	\$ -	\$ (3,086)	\$ 313,028,031

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of December 31, 2020 are noted below. The primary differences between book and tax appreciation or depreciation of investments are wash sale loss deferrals and investments in partnerships.

Federal Tax Cost	Unrealized Appreciation	Unrealized (Depreciation)	Net Tax Appreciation/ (Depreciation)
\$ 526,099,525	\$ 321,360,267	\$ (8,263,590)	\$ 313,096,677

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, 2020

Distributions			
From Ordinary Income	From Long-Term Capital Gains	Tax Return of Capital	Net Investment Loss
\$ 5,557,134	\$ 38,174,669	\$ -	\$ -

For the year ended December 31, 2019

Distributions			
From Ordinary Income	From Long-Term Capital Gains	Tax Return of Capital	Net Investment Loss
\$ 6,805,744	\$ 42,881,534	\$ -	\$ -

Permanent book to tax basis differences may result in reclassifications between the components of net assets. These differences have no impact on the results of operations or net assets. The following reclassifications have been made to the Portfolio:

Increase/(Decrease) to Capital	Increase/(Decrease) to Undistributed Net Investment Income/Loss	Increase/(Decrease) to Undistributed Net Realized Gain/Loss
\$ 2	\$ (599,906)	\$ 599,904

Janus Henderson VIT Global Research Portfolio

Notes to Financial Statements

5. Capital Share Transactions

	Year ended December 31, 2020		Year ended December 31, 2019	
	Shares	Amount	Shares	Amount
Institutional Shares:				
Shares sold	332,367	\$18,355,000	211,898	\$ 11,104,330
Reinvested dividends and distributions	621,750	31,186,676	700,470	35,853,466
Shares repurchased	(1,050,167)	(56,861,273)	(1,204,072)	(63,535,412)
Net Increase/(Decrease)	(96,050)	\$ (7,319,597)	(291,704)	\$(16,577,616)
Service Shares:				
Shares sold	240,326	\$12,343,506	230,603	\$ 11,845,436
Reinvested dividends and distributions	257,316	12,545,127	276,671	13,833,812
Shares repurchased	(574,118)	(30,387,062)	(531,967)	(27,275,766)
Net Increase/(Decrease)	(76,476)	\$ (5,498,429)	(24,693)	\$ (1,596,518)

6. Purchases and Sales of Investment Securities

For the year ended December 31, 2020, the aggregate cost of purchases and proceeds from sales of investment securities (excluding any short-term securities, short-term options contracts, TBAs, and in-kind transactions, as applicable) was as follows:

<i>Purchases of Securities</i>	<i>Proceeds from Sales of Securities</i>	<i>Purchases of Long-Term U.S. Government Obligations</i>	<i>Proceeds from Sales of Long-Term U.S. Government Obligations</i>
\$238,219,634	\$ 292,731,772	\$ -	\$ -

7. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2020 and through the date of issuance of the Portfolio's financial statements and determined that there were no material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

Janus Henderson VIT Global Research Portfolio

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Janus Aspen Series and Shareholders of Janus Henderson VIT Global Research 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 Global Research Portfolio (one of the portfolios constituting Janus Aspen Series, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statements of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian and transfer agent. We believe that our audits provide a reasonable basis for our opinion.



Denver, Colorado
February 16, 2021

We have served as the auditor of one or more investment companies in Janus Henderson Funds since 1990.

Janus Henderson VIT Global Research Portfolio

Additional Information (unaudited)

Proxy Voting Policies and Voting Record

A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-1093; (ii) on the Portfolio's website at janushenderson.com/proxyvoting; and (iii) on the SEC's website at <http://www.sec.gov>. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through janushenderson.com/proxyvoting and from the SEC's website at <http://www.sec.gov>.

Full Holdings

The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC as an exhibit to Form N-PORT within 60 days of the end of the first and third fiscal quarters, and in the annual report and semiannual report to shareholders. The Portfolio's Form N-PORT filings and annual and semiannual reports: (i) are available on the SEC's website at <http://www.sec.gov>; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) are available without charge, upon request, by calling a Janus Henderson representative at 1-877-335-2687 (toll free). Portfolio holdings consisting of at least the names of the holdings are generally available on a monthly basis with a 30-day lag under Full Holdings for the Portfolio at janushenderson.com/vit.

APPROVAL OF ADVISORY AGREEMENTS DURING THE PERIOD

The Trustees of Janus Aspen Series, each of whom serves as an "independent" Trustee (the "Trustees"), oversee the management of each Portfolio of Janus Aspen Series (each, a "VIT Portfolio," and collectively, the "VIT Portfolios"), as well as each Fund of Janus Investment Fund (together with the VIT Portfolios, the "Janus Henderson Funds," and each, a "Janus Henderson Fund"). As required by law, the Trustees determine annually whether to continue the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreements for the Janus Henderson Funds that utilize subadvisers.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received, and reviewed information provided by Janus Capital and the respective subadvisers in response to requests of the Trustees and their independent legal counsel. They also received and reviewed information and analysis provided by, and in response to requests of, their independent fee consultant. Throughout their consideration of the agreements, the Trustees were advised by their independent legal counsel. The Trustees met with management to consider the agreements, and also met separately in executive session with their independent legal counsel and their independent fee consultant.

At a meeting held on December 9, 2020, based on the Trustees' evaluation of the information provided by Janus Capital, the subadvisers, and the independent fee consultant, as well as other information, the Trustees determined that the overall arrangements between each Janus Henderson Fund and Janus Capital and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by Janus Capital, its affiliates and the subadvisers, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment. At that meeting, the Trustees unanimously approved the continuation of the investment advisory agreement for each Janus Henderson Fund, and the subadvisory agreement for each subadvised Janus Henderson Fund, for the period from February 1, 2021 through February 1, 2022, subject to earlier termination as provided for in each agreement.

In considering the continuation of those agreements, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Trustees' determination to approve the continuation of the agreements are discussed separately below. Also included is a summary of the independent fee consultant's conclusions and opinions that arose during, and were included as part of, the Trustees' consideration of the agreements. "Management fees," as used herein, reflect actual annual advisory fees and, for the purpose of peer comparisons any administration fees (excluding out of pocket costs), net of any waivers, paid by a fund as a percentage of average net assets.

Nature, Extent and Quality of Services

The Trustees reviewed the nature, extent and quality of the services provided by Janus Capital and the subadvisers to the Janus Henderson Funds, taking into account the investment objective, strategies and policies of each Janus Henderson Fund, and the knowledge the Trustees gained from their regular meetings with management on at least a

Janus Henderson VIT Global Research Portfolio

Additional Information (unaudited)

quarterly basis and their ongoing review of information related to the Janus Henderson Funds. In addition, the Trustees reviewed the resources and key personnel of Janus Capital and each subadviser, particularly noting those employees who provide investment and risk management services to the Janus Henderson Funds. The Trustees also considered other services provided to the Janus Henderson Funds by Janus Capital or the subadvisers, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered Janus Capital's role as administrator to the Janus Henderson Funds, noting that Janus Capital generally does not receive a fee for its services but is reimbursed for its out-of-pocket costs. The Trustees considered the role of Janus Capital in monitoring adherence to the Janus Henderson Funds' investment restrictions, providing support services for the Trustees and Trustee committees, and overseeing communications with shareholders and the activities of other service providers, including monitoring compliance with various policies and procedures of the Janus Henderson Funds and with applicable securities laws and regulations.

In this regard, the independent fee consultant noted that Janus Capital provides a number of different services for the Janus Henderson Funds and fund shareholders, ranging from investment management services to various other servicing functions, and that, in its view, Janus Capital is a capable provider of those services. The independent fee consultant also provided its belief that Janus Capital has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance over the long term.

The Trustees concluded that the nature, extent and quality of the services provided by Janus Capital or the subadviser to each Janus Henderson Fund were appropriate and consistent with the terms of the respective advisory and subadvisory agreements, and that, taking into account steps taken to address those Janus Henderson Funds whose performance lagged that of their peers for certain periods, the Janus Henderson Funds were likely to benefit from the continued provision of those services. They also concluded that Janus Capital and each subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and had demonstrated its ability to attract well-qualified personnel.

Performance of the Funds

The Trustees considered the performance results of each Janus Henderson Fund over various time periods. They noted that they considered Janus Henderson Fund performance data throughout the year, including periodic meetings with each Janus Henderson Fund's portfolio manager(s), and also reviewed information comparing each Janus Henderson Fund's performance with the performance of comparable funds and peer groups identified by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent data provider, and with the Janus Henderson Fund's benchmark index. In this regard, the independent fee consultant found that the overall Janus Henderson Funds' performance has been reasonable: for the 36 months ended September 30, 2020, approximately 75% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2020, approximately 62% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers.

The Trustees considered the performance of each Janus Henderson Fund, noting that performance may vary by share class, and noted the following with respect to the VIT Portfolios:

- For Janus Henderson Balanced Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance, and that the performance trend was improving.

Janus Henderson VIT Global Research Portfolio

Additional Information (unaudited)

- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Global Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital and Perkins had taken or were taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020.

In consideration of each Janus Henderson Fund's performance, the Trustees concluded that, taking into account the factors relevant to performance, as well as other considerations, including steps taken to improve performance, the Janus Henderson Fund's performance warranted continuation of such Janus Henderson Fund's investment advisory and subadvisory agreement(s).

Costs of Services Provided

The Trustees examined information regarding the fees and expenses of each Janus Henderson Fund in comparison to similar information for other comparable funds as provided by Broadridge, an independent data provider. They also reviewed an analysis of that information provided by their independent fee consultant and noted that the rate of management fees (investment advisory fees and any administration fees but excluding out-of-pocket costs) for many of the Janus Henderson Funds, after applicable waivers, was below the average management fee rate of the respective peer group of funds selected by an independent data provider. The Trustees also examined information regarding the subadvisory fees charged for subadvisory services, as applicable, noting that all such fees were paid by Janus Capital out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by Janus Capital to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by Janus Capital. The independent fee consultant found: (1) the total expenses and management fees of the Janus Henderson Funds to be reasonable relative to other comparable mutual funds; (2) the total expenses, on average, were 10% under the average total expenses of the respective Broadridge Expense Group peers; and (3) the management fees for the Janus Henderson Funds, on average, were 9% under the average management fees for the respective Broadridge Expense Group. The Trustees also considered the total expenses for

Janus Henderson VIT Global Research Portfolio

Additional Information (unaudited)

each share class of each Janus Henderson Fund compared to the average total expenses for its Broadridge Expense Group and to average total expenses for its Broadridge Expense Universe.

For certain Janus Henderson Funds, the independent fee consultant also performed a systematic “focus list” analysis of expenses which assessed fund fees in the context of fund performance being delivered. Based on this analysis, the independent fee consultant found that the combination of service quality/performance and expenses on these individual Janus Henderson Funds was reasonable in light of performance trends, performance histories, and existence of performance fees, breakpoints, and/or expense waivers on such Janus Henderson Funds.

The Trustees considered the methodology used by Janus Capital and each subadviser in determining compensation payable to portfolio managers, the competitive environment for investment management talent, and the competitive market for mutual funds in different distribution channels.

The Trustees also reviewed management fees charged by Janus Capital and each subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by Janus Capital or by a subadviser (for which Janus Capital or the subadviser provides only or primarily portfolio management services). Although in most instances subadvisory and separate account fee rates for various investment strategies were lower than management fee rates for Janus Henderson Funds having a similar strategy, the Trustees considered that Janus Capital noted that, under the terms of the management agreements with the Janus Henderson Funds, Janus Capital performs significant additional services for the Janus Henderson Funds that it does not provide to those other clients, including administration services, oversight of the Janus Henderson Funds' other service providers, trustee support, regulatory compliance and numerous other services, and that, in serving the Janus Henderson Funds, Janus Capital assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, they noted that the independent fee consultant found that: (1) the management fees Janus Capital charges to the Janus Henderson Funds are reasonable in relation to the management fees Janus Capital charges to funds subadvised by Janus Capital and to the fees Janus Capital charges to its institutional separate account clients; (2) these subadvised and institutional separate accounts have different service and infrastructure needs and operate in markets very distinct relative to retail funds; and (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; (4) 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by Janus Capital; and (5) 5 of 8 Janus Henderson Funds have lower management fees than similar separate accounts managed by Janus Capital.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2019, including the VIT Portfolios, and noted the following with regard to each VIT Portfolio's total expenses, net of applicable fee waivers (the VIT Portfolio's “total expenses”):

- For Janus Henderson Balanced Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.
- For Janus Henderson Forty Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Research Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.

Janus Henderson VIT Global Research Portfolio

Additional Information (unaudited)

- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's total expenses were below the peer group average for both share classes.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for its sole share class.

The Trustees reviewed information on the overall profitability to Janus Capital and its affiliates of their relationship with the Janus Henderson Funds, and considered profitability data of other publicly traded mutual fund advisers. The Trustees recognized that profitability comparisons among fund managers are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund manager is affected by numerous factors, including the organizational structure of the particular fund manager, differences in complex size, difference in product mix, difference in types of business (mutual fund, institutional and other), differences in the types of funds and other accounts it manages, possible other lines of business, the methodology for allocating expenses, and the fund manager's capital structure and cost of capital.

Additionally, the Trustees considered the estimated profitability to Janus Capital from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether Janus Capital and each subadviser receive adequate incentives and resources to manage the Janus Henderson Funds effectively. In reviewing profitability, the Trustees noted that the estimated profitability for an individual Janus Henderson Fund is necessarily a product of the allocation methodology utilized by Janus Capital to allocate its expenses as part of the estimated profitability calculation. In this regard, the Trustees noted that the independent fee consultant found that (1) the expense allocation methodology and rationales utilized by Janus Capital were reasonable and (2) no clear correlation exists between expense allocations and operating margins. The Trustees also considered that the estimated profitability for an individual Janus Henderson Fund was influenced by a number of factors, including not only the allocation methodology selected, but also the presence of fee waivers and expense caps, and whether the Janus Henderson Fund's investment management agreement contained breakpoints or a performance fee component. The Trustees determined, after taking into account these factors, among others, that Janus Capital's estimated profitability with respect to each Janus Henderson Fund was not unreasonable in relation to the services provided, and that the variation in the range of such estimated profitability among the Janus Henderson Funds was not a material factor in the Board's approval of the reasonableness of any Janus Henderson Fund's investment management fees.

The Trustees concluded that the management fees payable by each Janus Henderson Fund to Janus Capital and its affiliates, as well as the fees paid by Janus Capital to the subadvisers of subadvised Janus Henderson Funds, were reasonable in relation to the nature, extent, and quality of the services provided, taking into account the fees charged by other advisers for managing comparable mutual funds with similar strategies, the fees Janus Capital and the subadvisers charge to other clients, and, as applicable, the impact of fund performance on management fees payable by the Janus Henderson Funds. The Trustees also concluded that each Janus Henderson Fund's total expenses were reasonable, taking into account the size of the Janus Henderson Fund, the quality of services provided by Janus Capital and any subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by Janus Capital.

Economies of Scale

The Trustees considered information about the potential for Janus Capital to realize economies of scale as the assets of the Janus Henderson Funds increase. They noted that their independent fee consultant published a report to the Trustees in November 2019 which provided its research and analysis into economies of scale. They also noted that, although many Janus Henderson Funds pay advisory fees at a fixed base rate as a percentage of net assets, without any breakpoints or performance fees, their independent fee consultant concluded that 73% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. They also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of Janus Capital, Janus Capital is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) as the assets of some of the Janus Henderson Funds have declined in the past few years, certain of those Janus Henderson Funds have benefited from having advisory fee rates that have remained constant rather than increasing as assets declined; (3) performance fee structures have been implemented for various Janus Henderson Funds that have caused the effective rate of advisory fees payable by such

Janus Henderson VIT Global Research Portfolio

Additional Information (unaudited)

Janus Henderson Fund to vary depending on the investment performance of the Janus Henderson Fund relative to its benchmark index over the measurement period; and (4) a few Janus Henderson Funds have fee schedules with breakpoints and reduced fee rates above certain asset levels. The Trustees also noted that the Janus Henderson Funds share directly in economies of scale through the significant investments made by Janus Capital and its affiliates related to services provided to the Funds and the lower charges of third-party service providers that are based in part on the combined scale of all of the Janus Henderson Funds.

The Trustees also considered the independent fee consultant's conclusion that, given the limitations of various analytical approaches to economies of scale and their conflicting results, it is difficult to analytically confirm or deny the existence of economies of scale in the Janus Henderson complex. In this regard, the independent consultant concluded that (1) to the extent there were economies of scale at Janus Capital, Janus Capital's general strategy of setting fixed management fees below peers appeared to share any such economies with investors even on smaller Janus Henderson Funds which have not yet achieved those economies and (2) by setting lower fixed fees from the start on these Janus Henderson Funds, Janus Capital appeared to be investing to increase the likelihood that these Janus Henderson Funds will grow to a level to achieve any economies of scale that may exist. Further, the independent fee consultant provided its belief that Janus Henderson Fund investors are well-served by the fee levels and performance fee structures in place on the Janus Henderson Funds in light of any economies of scale that may be present at Janus Capital.

Based on all of the information reviewed, including the recent and past research and analysis conducted by the Trustees' independent fee consultant, the Trustees concluded that the current fee structure of each Janus Henderson Fund was reasonable and that the current rates of fees do reflect a sharing between Janus Capital and the Janus Henderson Fund of any economies of scale that may be present at the current asset level of the Janus Henderson Fund.

Other Benefits to Janus Capital

The Trustees also considered benefits that accrue to Janus Capital and its affiliates and subadvisers to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of Janus Capital separately serve the Janus Henderson Funds as transfer agent and distributor, respectively, and the transfer agent receives compensation directly from the non-money market funds for services provided, and that such compensation contributes to the overall profitability of Janus Capital and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered Janus Capital's past and proposed use of commissions paid by the Janus Henderson Funds on portfolio brokerage transactions to obtain proprietary and third-party research products and services benefiting the Janus Henderson Fund and/or other clients of Janus Capital and Janus Capital, and/or a subadviser to a Janus Henderson Fund. The Trustees concluded that Janus Capital's and the subadvisers' use of these types of client commission arrangements to obtain proprietary and third-party research products and services was consistent with regulatory requirements and guidelines and was likely to benefit each Janus Henderson Fund. The Trustees also concluded that, other than the services provided by Janus Capital and its affiliates and subadvisers pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and Janus Capital and the subadvisers may potentially benefit from their relationship with each other in other ways. They concluded that Janus Capital and its affiliates share directly in economies of scale through the lower charges of third-party service providers that are based in part on the combined scale of the Janus Henderson Funds and other clients serviced by Janus Capital and its affiliates. They also concluded that Janus Capital and/or the subadvisers benefit from the receipt of research products and services acquired through commissions paid on portfolio transactions of the Janus Henderson Funds and that the Janus Henderson Funds benefit from Janus Capital's and/or the subadvisers' receipt of those products and services as well as research products and services acquired through commissions paid by other clients of Janus Capital and/or other clients of the subadvisers. They further concluded that the success of any Janus Henderson Fund could attract other business to Janus Capital, the subadvisers or other Janus Henderson funds, and that the success of Janus Capital and the subadvisers could enhance Janus Capital's and the subadvisers' ability to serve the Janus Henderson Funds.

Janus Henderson VIT Global Research Portfolio

Useful Information About Your Portfolio Report (unaudited)

Management Commentary

The Management Commentary in this report includes valuable insight as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of risk. A company may be allocated to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed in the Management Commentary are just that: opinions. They are a reflection based on best judgment at the time this report was compiled, which was December 31, 2020. As the investing environment changes, so could opinions. These views are unique and are not necessarily shared by fellow employees or by Janus Henderson in general.

Performance Overviews

Performance overview graphs compare the performance of a hypothetical \$10,000 investment in the Portfolio with one or more widely used market indices. When comparing the performance of the Portfolio with an index, keep in mind that market indices are not available for investment and do not reflect deduction of expenses.

Average annual total returns are quoted for a Portfolio with more than one year of performance history. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Cumulative total returns are quoted for a Portfolio with less than one year of performance history. Cumulative total return is the growth or decline in value of an investment over time, independent of the period of time involved. Cumulative total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized (if applicable) and unsubsidized ratios. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The net annual fund operating expenses ratio (if applicable) includes contractual waivers of Janus Capital and reflects the Portfolio's subsidized expense ratio. Ratios may be higher or lower than those shown in the "Financial Highlights" in this report.

Schedule of Investments

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country of risk. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Barclays and/or MSCI Inc.

Tables listing details of individual forward currency contracts, futures, written options, swaptions, and swaps follow the Portfolio's Schedule of Investments (if applicable).

Statement of Assets and Liabilities

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

Janus Henderson VIT Global Research Portfolio

Useful Information About Your Portfolio Report (unaudited)

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on securities owned, and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid, and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's net assets for each share class (assets minus liabilities) by the number of shares outstanding.

Statement of Operations

This statement details the Portfolio's income, expenses, realized gains and losses on securities and currency transactions, and changes in unrealized appreciation or depreciation of Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from securities and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign currency-denominated assets and liabilities. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. A change in unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

Statements of Changes in Net Assets

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends and distributions to investors, and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment operations. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends and/or distributions in cash, money is taken out of the Portfolio to pay the dividend and/or distribution. If investors reinvest their dividends and/or distributions, the Portfolio's net assets will not be affected. If you compare the Portfolio's "Net Decrease from Dividends and Distributions" to "Reinvested Dividends and Distributions," you will notice that dividends and distributions have little effect on the Portfolio's net assets. This is because the majority of the Portfolio's investors reinvest their dividends and/or distributions.

The reinvestment of dividends and distributions is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

Financial Highlights

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods as well as total return, asset size, ratios, and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income/(loss) per share. Following is the per share total of net gains/(losses), realized and unrealized. Per share dividends and distributions to investors are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the total return for the period. The total return may include adjustments in accordance with

Janus Henderson VIT Global Research Portfolio

Useful Information About Your Portfolio Report (unaudited)

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 Global Research Portfolio

Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2020:

Capital Gain Distributions	\$38,174,669
Dividends Received Deduction Percentage	100%

Janus Henderson VIT Global Research Portfolio

Trustees and Officers (unaudited)

The following are the Trustees and officers of the Trust, together with a brief description of their principal occupations during the last five years (principal occupations for certain Trustees may include periods over five years). The Portfolio's Statement of Additional Information includes additional information about the Trustees and officers and is available, without charge, by calling 1-877-335-2687.

Each Trustee has served in that capacity since he or she was originally elected or appointed. The Trustees do not serve a specified term of office. Each Trustee will hold office until the termination of the Trust or his or her earlier death, resignation, retirement, incapacity, or removal. Under the Portfolio's Governance Procedures and Guidelines, the policy is for Trustees to retire no later than the end of the calendar year in which the Trustee turns 75. The Trustees review the Portfolio's Governance Procedures and Guidelines from time to time and may make changes they deem appropriate. The Portfolio's Nominating and Governance Committee will consider nominees for the position of Trustee recommended by shareholders. Shareholders may submit the name of a candidate for consideration by the Committee by submitting their recommendations to the Trust's Secretary. Each Trustee is currently a Trustee of one other registered investment company advised by Janus Capital: Janus Investment Fund. Collectively, these two registered investment companies consist of 56 series or funds referred to herein as the Fund Complex.

The Trust's officers are elected annually by the Trustees for a one-year term. Certain officers also serve as officers of Janus Investment Fund. Certain officers of the Portfolio may also be officers and/or directors of Janus Capital. Except as otherwise disclosed, Portfolio officers receive no compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer, as authorized by the Trustees.

Janus Henderson VIT Global Research 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).	56	Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (since 2016), Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 2 funds) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006).

Janus Henderson VIT Global Research Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Alan A. Brown 151 Detroit Street Denver, CO 80206 DOB: 1962	Trustee	1/13-Present	Principal, Curam Holdings LLC (since 2018). Formerly, Executive Vice President, Institutional Markets, of Black Creek Group (private equity real estate investment management firm) (2012-2018), Executive Vice President and Co-Head, Global Private Client Group (2007-2010), Executive Vice President, Mutual Funds (2005-2007), and Chief Marketing Officer (2001-2005) of Nuveen Investments, Inc. (asset management).	56	Advisory Board Member of AEW Core Property Trust (open-end property fund) (since 2020), and Director of WTTW (PBS affiliate) (since 2003). Formerly, Director of MotiveQuest LLC (strategic social market research company) (2003-2016), Director of Nuveen Global Investors LLC (2007-2011), Director of Communities in Schools (2004-2010), and Director of Mutual Fund Education Alliance (until 2010).

Janus Henderson VIT Global Research Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William D. Cvengros 151 Detroit Street Denver, CO 80206 DOB: 1948	Trustee	1/11-Present	Chief Executive Officer of SJC Capital, LLC (a personal investment company and consulting firm) (since 2002). Formerly, Chief Executive Officer and President of PIMCO Advisors Holdings L.P. (a publicly traded investment management firm) (1994-2000), and Chief Investment Officer (1987-1994) and Vice Chairman and Director (1990-1994) of Pacific Life Insurance Company (a mutual life insurance and annuity company) (1987-1994).	56	Advisory Board Member, RevOZ Fund LP and related funds (real estate investments for opportunity zones) (since 2020), and Advisory Board Member, Innovate Partners Emerging Growth and Equity Fund I (early stage venture capital fund) (since 2014). Formerly, Managing Trustee of National Retirement Partners Liquidating Trust (2013-2016), Chairman, National Retirement Partners, Inc. (formerly a network of advisors to 401(k) plans) (2005-2013), Director of Prospect Acquisition Corp. (a special purpose acquisition corporation) (2007-2009), Director of RemedyTemp, Inc. (temporary help services company) (1996-2006), and Trustee of PIMCO Funds Multi-Manager Series (1990-2000) and Pacific Life Variable Life & Annuity Trusts (1987-1994).

Janus Henderson VIT Global Research 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), and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (since 2016). Formerly, Senior Vice President (2011-2015), Albright Stonebridge Group LLC, and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	56	Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
William M. Fitzgerald, Sr. 151 Detroit Street Denver, CO 80206 DOB: 1964	Trustee	9/19-Present	Founder, Fitzgerald Asset Management LLC (since 2012). Formerly, Founder and Chief Investment Officer, Global Infrastructure Asset Management LLC (2008-2017), Chief Investment Officer of Nuveen Asset Management (2000-2007), and Managing Director, Nuveen Investment LLC (1988-2007).	56	Board of Directors, Municipal Securities Rulemaking Board (since 2017). Formerly, Board of Directors of Syncora Holdings Ltd, Syncora Guarantee Inc., and Syncora Capital Assurance Inc. (2009-2016), and Trustee, Destra Investment Trust (2010-2014).

Janus Henderson VIT Global Research Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Gary A. Poliner 151 Detroit Street Denver, CO 80206 DOB: 1953	Trustee	6/16-Present	Retired. Formerly, President (2010-2013) of Northwestern Mutual Life Insurance Company.	56	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013) and West Bend Mutual Insurance Company (property/casualty insurance) (since 2013). Formerly, Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).
Diane L. Wallace 151 Detroit Street Denver, CO 80206 DOB: 1958	Trustee	6/17-Present	Retired. Formerly, Chief Operating Officer, Senior Vice President-Operations, and Chief Financial Officer for Driehaus Capital Management, LLC (1988-2006) and Treasurer for Driehaus Mutual Funds (1996-2002).	56	Director of Family Service of Lake County (since 2019). Formerly, Independent Trustee, Henderson Global Funds (13 portfolios) (2015-2017), Independent Trustee, State Farm Associates' Funds Trust, State Farm Mutual Fund Trust, and State Farm Variable Product Trust (28 portfolios) (2013-2017).

Janus Henderson VIT Global Research Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Linda S. Wolf 151 Detroit Street Denver, CO 80206 DOB: 1947	Trustee	11/05-Present	Retired. Formerly, Chairman and Chief Executive Officer of Leo Burnett (Worldwide) (advertising agency) (2001-2005).	56	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), Shirley Ryan Ability Lab and Wrappports, LLC (digital communications company). Formerly, Director of Chicago Council on Global Affairs (until 2019), InnerWorkings (until 2019) and Director of Walmart (until 2017).

Janus Henderson VIT Global Research 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
Bruce L. Koepfgen 151 Detroit Street Denver, CO 80206 DOB: 1952	President and Chief Executive Officer	7/14-Present	Executive Vice President and Head of North America at Janus Henderson Investors (since 2017), President and Head of North America at Janus Capital Management LLC (since 2013 and 2017, respectively), President at Janus Capital Group Inc. (since 2013), President and Director at Janus International Holding LLC (since 2019 and 2011, respectively), President at Janus Holdings LLC (since 2019), President and Director at Janus Management Holdings Corporation (since 2017 and 2012, respectively), Executive Vice President and Head of North America at Janus Distributors LLC (since 2011 and 2019, respectively), Vice President and Director at Intech Investment Management LLC (since 2012), and Executive Vice President at Perkins Investment Management LLC (since 2011). Formerly, Executive Vice President at Janus Capital Group Inc., Janus International Holding LLC, and Janus Management Holdings Corporation (2011-2019), Director at Perkins Investment Management LLC (2011-2019), and Chief Financial Officer at Janus Capital Group Inc. (2011-2013).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Global Research Portfolio

Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Kristin Mariani 151 Detroit Street Denver, CO 80206 DOB: 1966	Vice President, Chief Compliance Officer, and Anti-Money Laundering Officer	7/20-Present	Head of Compliance, North America for Janus Henderson Investors (since September 2020), and Chief Compliance Officer for Janus Capital Management LLC (since September 2017). Formerly, Global Head of Investment Management Compliance for Janus Henderson Investors (February 2019 – August 2020), Vice President, Head of Global Distribution Compliance and Chief Compliance Officer of Janus Henderson Distributors (May 2017-September 2017), Vice President, Compliance at Janus Capital Group Inc., Janus Capital Management LLC, and Janus Distributors LLC (2009-2017).
Jesper Nergaard 151 Detroit Street Denver, CO 80206 DOB: 1962	Chief Financial Officer Vice President, Treasurer, and Principal Accounting Officer	3/05-Present 2/05-Present	Head of U.S. Fund Administration, Janus Henderson Investors and Janus Services LLC.
Abigail J. Murray 151 Detroit Street Denver, CO 80206 DOB: 1975	Vice President, Chief Legal Officer, and Secretary	12/20-Present	Managing Counsel (2020-present). Formerly, Senior Counsel for Invesco Ltd. (2017-2020), and Vice President and Senior Counsel, ALPS Fund Services, Inc. and Assistant General Counsel, ALPS Advisors, Inc. (2015-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Global Research Portfolio
Notes

This report is submitted for the general information of shareholders of the Portfolio. It is not an offer or solicitation for the Portfolio and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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Janus Henderson Distributors

Janus Henderson VIT Research Portfolio

Janus Aspen Series

HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings

Janus Henderson
———— INVESTORS ————

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PORTFOLIO SNAPSHOT

We believe that the best way to generate consistent excess returns is stock picking based on independent research. We focus the risks of the Portfolio on what we feel are our strengths – research and stock selection – and seek to avoid unnecessary risks, specifically macro risks and other portfolio biases. Therefore, we let sector experts drive the process and pick their best ideas and use a portfolio oversight team to monitor the risk of the Portfolio and keep it focused on stock selection.

Team-Based Approach
Led by Matthew Peron,
Director of Research

PERFORMANCE OVERVIEW

For the 12-month period ending December 31, 2020, Janus Henderson VIT Research Portfolio's Institutional Shares and Service Shares returned 32.95% and 32.58%, respectively. Meanwhile, the Portfolio's primary benchmark, the Russell 1000[®] Growth Index, returned 38.49% and its secondary benchmark, the S&P 500[®] Index, returned 18.40%. Another benchmark we use to measure performance, the Core Growth Index, returned 28.12%. The Core Growth Index is an internally calculated benchmark combining returns from the Russell 1000 Growth Index (50%) and S&P 500 Index (50%).

INVESTMENT ENVIRONMENT

U.S. equities generated solid gains for the year, recovering from a sharp downturn in March sparked by the worldwide spread of COVID-19 and ensuing fears of a global economic recession. Unprecedented monetary and fiscal stimulus, along with the development and approval of COVID-19 vaccines, supported the recovery in equities. A favorable earnings backdrop also contributed to the market's resilience. Although the rebound in the markets was led primarily by large-cap technology and health care stocks, toward the end of the period, market leadership showed signs of expanding to more cyclical and value-oriented businesses in areas of the market that historically have performed well during an economic recovery.

PERFORMANCE DISCUSSION

Our seven global sector teams employ a bottom-up, fundamental approach to identify what we consider the best global opportunities. Our analysts take a long-term view of companies with a focus on value creation and duration of growth, which may lead to high returns on invested capital. The Portfolio directly captures the insights of our teams through their highest-conviction ideas. In building a diversified portfolio, we seek to minimize macroeconomic risks while generating superior

performance over longer periods. However, we underperformed our primary benchmark this year.

Our stock selection in the industrials and health care sectors detracted from relative performance. Conversely, stock selection in the communications and consumer sectors contributed to relative results.

On an individual stock basis, top relative detraction came from a strong-performing technology-related stock that does not meet our investment criteria and, consequently, is not held in the Portfolio. However, among stocks that are held in the Portfolio, those with the largest detraction were businesses that experienced a significant disruption as a result of the global pandemic. For example, the impact of the pandemic on travel demand weighed on the stocks of Norwegian Cruise Line Holdings, which suffered from a significant increase in cancellations, and Hilton Worldwide Holdings, which saw a decline in occupancy rates at its properties. We liquidated our positions in both stocks.

Elsewhere, technology hardware and services company Apple weighed on relative performance. Through much of the period, the Portfolio held a notably smaller position in the stock than the index. Given the large share of the index that Apple commands, this prevented us from benefiting from the stock's strong gains to the same degree as our benchmark. Shares advanced on enthusiasm surrounding the 5G product cycle.

Health care stocks fell out of favor late in the year as investors' preferences shifted toward cyclically oriented names. U.S.-based medical device maker Boston Scientific subsequently declined and detracted from the Fund's relative results. Further pressuring the stock was the company's voluntary recall of the Lotus Edge transcatheter aortic valve replacement (TAVR) product due to complexities with the device delivery system. We

Janus Henderson VIT Research Portfolio (unaudited)

will continue to closely monitor developments at the company.

Despite the relatively weak performance of these stocks, a number of holdings contributed to the Portfolio's relative results. Top performers included companies affected by changes in consumer behaviors due to the pandemic, including e-commerce firms Wayfair, Amazon.com and Etsy. All three benefited from a nesting phenomenon and the associated shift to online commerce. While our outlook for Wayfair and Amazon.com remains upbeat, we liquidated our position in Etsy. After the strong run in the stock, we believe upside potential for the company is reduced.

Key contributors also included ZenDesk, a software development company that enables businesses to leverage the cloud to meet a range of organizational needs. ZenDesk's stock advanced on strong quarterly results that surpassed consensus estimates on both the top and bottom lines and on management's upbeat guidance.

OUTLOOK

As we head into 2020, we believe economic growth will be an important determinant of equity performance. In recent months, we have started to see signs that the global economy may be regaining its footing. In November, for example, headline purchasing managers' indices (a measure of manufacturing activity) expanded in 18 of 30 regions, the highest ratio in two years. In the U.S., unemployment remains low and monthly wage growth has been running at 3% or more over the past year, suggesting a healthy consumer.

Should the economy be turning a corner, we believe traditionally cyclical stocks (firms closely tied to the business cycle) could be well positioned. These stocks have lagged growth peers and, in our opinion, offer attractive valuations at a time when a reaccelerating economy could drive demand for these firms' goods and services.

At the same time, plenty of uncertainty remains, from ongoing trade negotiations to the U.S. presidential election. If the economy stalls, cyclicals would likely lose their leadership position. As such, we think it's important to keep a close eye on economic indicators in 2020, including measures of corporate capital expenditure. But given geopolitical and macroeconomic uncertainties, we also believe central banks globally will keep monetary policy loose and that select governments could roll out

fiscal stimulus in 2020. These efforts should add liquidity to financial markets and, in our opinion, further support equities.

Thank you for your investment in Janus Henderson VIT Research Portfolio.

Janus Henderson VIT Research Portfolio (unaudited)

Portfolio At A Glance

December 31, 2020

5 Top Contributors - Holdings

	Average Weight	Relative Contribution		Average Weight	Relative Contribution
Etsy Inc	0.52%	0.65%	Norwegian Cruise Line Holdings Ltd	0.14%	-0.82%
Wayfair Inc	0.55%	0.62%	Apple Inc	7.47%	-0.81%
NVIDIA Corp	2.49%	0.57%	Boston Scientific Corp	1.04%	-0.62%
Amazon.com Inc	7.88%	0.55%	Altria Group Inc	1.02%	-0.59%
Zendesk Inc	1.10%	0.52%	Hilton Worldwide Holdings Inc	0.61%	-0.53%

5 Top Detractors - Holdings

3 Top Contributors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Communications	0.84%	14.40%	14.29%
Consumer	0.52%	18.79%	18.73%
Energy	-0.02%	0.17%	0.14%

5 Top Detractors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Industrials	-3.17%	7.63%	7.99%
Healthcare	-1.51%	14.39%	14.28%
Financials	-0.69%	10.05%	10.09%
Other**	-0.42%	0.37%	0.00%
Technology	-0.41%	34.20%	34.48%

Relative contribution reflects how the portfolio'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.

* The sectors listed above reflect those covered by the six analyst teams who comprise the Janus Henderson Research Team.

** Not a GICS classified sector.

Janus Henderson VIT Research Portfolio (unaudited)

Portfolio At A Glance

December 31, 2020

5 Largest Equity Holdings - (% of Net Assets)

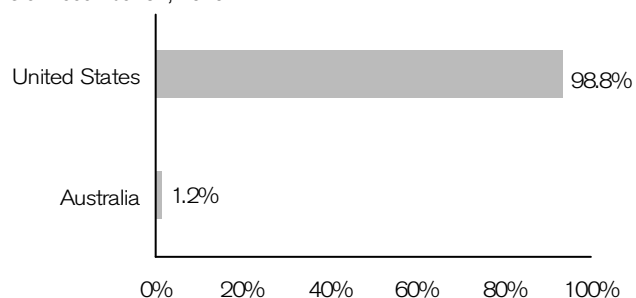
Apple Inc	
Technology Hardware, Storage & Peripherals	9.8%
Amazon.com Inc	
Internet & Direct Marketing Retail	7.8%
Microsoft Corp	
Software	7.8%
Alphabet Inc - Class C	
Interactive Media & Services	4.8%
Facebook Inc	
Interactive Media & Services	3.7%
	<u>33.9%</u>

Asset Allocation - (% of Net Assets)

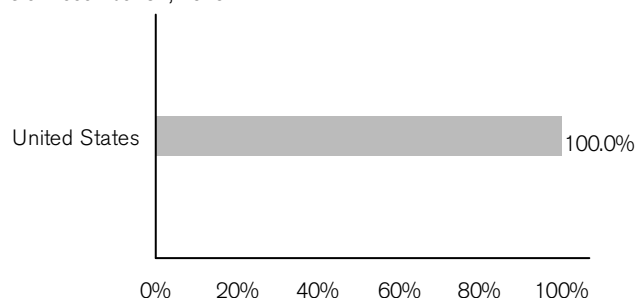
Common Stocks	99.8%
Investments Purchased with Cash	
Collateral from Securities Lending	0.3%
Investment Companies	0.2%
Rights	0.0%
Other	(0.3)%
	<u>100.0%</u>

Top Country Allocations - Long Positions - (% of Investment Securities)

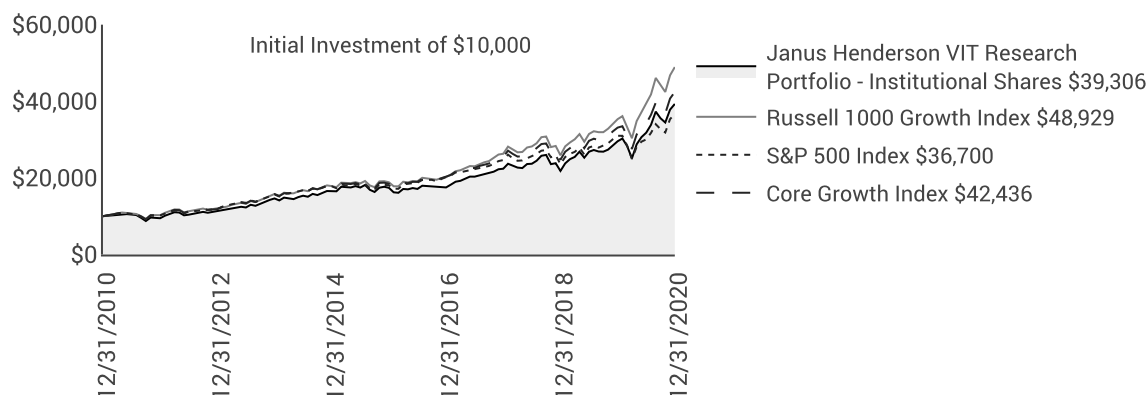
As of December 31, 2020



As of December 31, 2019



Janus Henderson VIT Research Portfolio (unaudited) Performance



Average Annual Total Return - for the periods ended December 31, 2020					Expense Ratios
	One Year	Five Year	Ten Year	Since Inception*	Total Annual Fund Operating Expenses†
Institutional Shares	32.95%	17.67%	14.67%	9.74%	0.59%
Service Shares	32.58%	17.38%	14.38%	9.45%	0.84%
Russell 1000 Growth Index	38.49%	21.00%	17.21%	10.83%	
S&P 500 Index	18.40%	15.22%	13.88%	10.12%	
Core Growth Index	28.12%	18.10%	15.55%	10.51%	
Morningstar Quartile - Institutional Shares	3rd	3rd	3rd	3rd	
Morningstar Ranking - based on total returns for Large Growth Funds	732/1,319	723/1,211	678/1,058	266/396	

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit janushenderson.com/VITperformance.

This Portfolio has a performance-based management fee that may adjust up or down based on the Portfolio's performance.

Performance may be affected by risks that include those associated with foreign and emerging markets, fixed income securities, high-yield and high-risk securities, undervalued, overlooked and smaller capitalization companies, real estate related securities including Real Estate Investment Trusts (REITs), non-diversification, portfolio turnover, derivatives, short sales, initial public offerings (IPOs) and potential conflicts of interest. Each product has different risks. Please see the prospectus for more information about risks, holdings and other details.

High absolute short-term performance is not typical and may not be achieved in the future. Such results should not be the sole basis for evaluating material facts in making an investment decision.

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

Returns include reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Performance for Service Shares prior to December 31, 1999 reflects the performance of Institutional Shares, adjusted to reflect the expenses of Service Shares.

Ranking is for the share class shown only; other classes may have different performance characteristics.

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See important disclosures on the next page.

Janus Henderson VIT Research Portfolio (unaudited) Performance

There is no assurance that the investment process will consistently lead to successful investing.

See Notes to Schedule of Investments and Other Information for index definitions.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

See "Useful Information About Your Portfolio Report."

*The Portfolio's inception date – September 13, 1993

‡ As stated in the prospectus. See Financial Highlights for actual expense ratios during the reporting period.

Janus Henderson VIT Research 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)			Net Annualized Expense Ratio
	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	
Institutional							
Shares	\$1,000.00	\$1,235.80	\$3.43	\$1,000.00	\$1,022.07	\$3.10	0.61%
Service Shares	\$1,000.00	\$1,234.10	\$4.89	\$1,000.00	\$1,020.76	\$4.42	0.87%

† Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period). Expenses in the examples include the effect of applicable fee waivers and/or expense reimbursements, if any. Had such waivers and/or reimbursements not been in effect, your expenses would have been higher. Please refer to the Notes to Financial Statements or the Portfolio's prospectuses for more information regarding waivers and/or reimbursements.

Janus Henderson VIT Research Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– 99.8%		
Aerospace & Defense – 1.0%		
L3Harris Technologies Inc	32,969	\$6,231,800
Air Freight & Logistics – 1.0%		
United Parcel Service Inc	38,662	6,510,681
Auto Components – 0.4%		
Aptiv PLC	18,401	2,397,466
Beverages – 1.2%		
Constellation Brands Inc	36,383	7,969,696
Biotechnology – 5.1%		
AbbVie Inc	100,033	10,718,536
Alexion Pharmaceuticals Inc*	23,464	3,666,015
BioMarin Pharmaceutical Inc*	41,090	3,603,182
Global Blood Therapeutics Inc*	49,151	2,128,730
Neurocrine Biosciences Inc*	36,258	3,475,329
Sarepta Therapeutics Inc*	19,930	3,397,866
Vertex Pharmaceuticals Inc*	25,814	6,100,881
		33,090,539
Capital Markets – 0.4%		
Blackstone Group Inc	41,933	2,717,678
Chemicals – 1.2%		
Air Products & Chemicals Inc	11,370	3,106,511
Sherwin-Williams Co	6,042	4,440,326
		7,546,837
Containers & Packaging – 0.6%		
Ball Corp	39,383	3,669,708
Diversified Consumer Services – 0.6%		
Terminix Global Holdings Inc*	69,753	3,558,101
Electronic Equipment, Instruments & Components – 0.4%		
Cognex Corp	33,863	2,718,691
Entertainment – 2.6%		
Liberty Media Corp-Liberty Formula One*	134,245	5,718,837
Netflix Inc*	20,089	10,862,725
		16,581,562
Equity Real Estate Investment Trusts (REITs) – 2.0%		
American Tower Corp	6,619	1,485,701
Crown Castle International Corp	18,600	2,960,934
Equinix Inc	4,341	3,100,255
VICI Properties Inc	217,373	5,543,012
		13,089,902
Health Care Equipment & Supplies – 2.3%		
Abbott Laboratories	28,461	3,116,195
Boston Scientific Corp*	157,262	5,653,569
Dentsply Sirona Inc	54,449	2,850,950
Edwards Lifesciences Corp*	32,773	2,989,881
		14,610,595
Health Care Providers & Services – 1.2%		
Humana Inc	19,081	7,828,362
Hotels, Restaurants & Leisure – 1.2%		
Aramark	108,424	4,172,156
McDonald's Corp	17,639	3,784,977
		7,957,133
Household Durables – 0.6%		
Roku Inc*	11,039	3,665,169
Household Products – 1.6%		
Procter & Gamble Co	74,805	10,408,368
Industrial Conglomerates – 0.7%		
Honeywell International Inc	19,894	4,231,454
Information Technology Services – 6.4%		
Fidelity National Information Services Inc	23,688	3,350,904
Mastercard Inc	51,579	18,410,608

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Research Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– (continued)		
Information Technology Services– (continued)		
Visa Inc	88,497	\$19,356,949
		41,118,461
Insurance – 1.7%		
Aon PLC	29,122	6,152,605
Progressive Corp	46,009	4,549,370
		10,701,975
Interactive Media & Services – 8.5%		
Alphabet Inc - Class C*	17,671	30,957,471
Facebook Inc*	88,649	24,215,361
		55,172,832
Internet & Direct Marketing Retail – 9.9%		
Amazon.com Inc*	15,554	50,658,289
Booking Holdings Inc*	3,958	8,815,535
DoorDash Inc - Class A*#	15,348	2,190,927
Wayfair Inc*	11,648	2,630,235
		64,294,986
Life Sciences Tools & Services – 2.0%		
Illumina Inc*	8,841	3,271,170
IQVIA Holdings Inc*	21,794	3,904,831
Thermo Fisher Scientific Inc	12,033	5,604,731
		12,780,732
Machinery – 1.2%		
Deere & Co	7,642	2,056,080
Ingersoll Rand Inc*	63,815	2,907,411
Parker-Hannifin Corp	11,115	3,027,837
		7,991,328
Oil, Gas & Consumable Fuels – 0.1%		
Cheniere Energy Inc*	12,315	739,269
Pharmaceuticals – 3.1%		
Bristol-Myers Squibb Co	90,304	5,601,557
Elanco Animal Health Inc*	83,079	2,548,033
Horizon Therapeutics PLC*	40,183	2,939,386
Merck & Co Inc	111,486	9,119,555
		20,208,531
Professional Services – 1.8%		
CoStar Group Inc*	9,452	8,736,295
Verisk Analytics Inc	14,002	2,906,675
		11,642,970
Road & Rail – 1.2%		
Uber Technologies Inc*	157,183	8,016,333
Semiconductor & Semiconductor Equipment – 7.7%		
Lam Research Corp	21,856	10,321,933
Microchip Technology Inc	42,718	5,899,783
NVIDIA Corp	35,833	18,711,993
Texas Instruments Inc	71,712	11,770,091
Xilinx Inc	23,314	3,305,226
		50,009,026
Software – 20.0%		
Adobe Inc*	40,572	20,290,869
Atlassian Corp PLC*	33,786	7,901,532
Autodesk Inc*	26,233	8,009,984
Avalara Inc*	24,427	4,027,768
Microsoft Corp	226,001	50,267,142
RingCentral Inc*	19,696	7,464,193
salesforce.com Inc*	26,524	5,902,386
SS&C Technologies Holdings Inc	32,320	2,351,280
Tyler Technologies Inc*	12,620	5,508,882
Workday Inc*	29,162	6,987,507

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Research Portfolio

Schedule of Investments

December 31, 2020

	<i>Shares or Principal Amounts</i>	<i>Value</i>
Common Stocks– (continued)		
Software– (continued)		
Zendesk Inc*	72,678	\$10,401,675
		129,113,218
Specialty Retail – 0.7%		
Burlington Stores Inc*	18,501	4,838,937
Technology Hardware, Storage & Peripherals – 9.8%		
Apple Inc	478,760	63,526,664
Textiles, Apparel & Luxury Goods – 1.4%		
NIKE Inc	64,401	9,110,809
Wireless Telecommunication Services – 0.2%		
T-Mobile US Inc*	10,278	1,385,988
Total Common Stocks (cost \$330,208,246)		645,435,801
Rights– 0%		
Pharmaceuticals – 0%		
Bristol-Myers Squibb Co* (cost \$65,794)	53,884	37,185
Investment Companies– 0.2%		
Money Markets – 0.2%		
Janus Henderson Cash Liquidity Fund LLC, 0.1108% ^{***} (cost \$1,551,134)	1,550,979	1,551,134
Investments Purchased with Cash Collateral from Securities Lending– 0.3%		
Investment Companies – 0.2%		
Janus Henderson Cash Collateral Fund LLC, 0.0264% ^{***}	1,318,917	1,318,917
Time Deposits – 0.1%		
Canadian Imperial Bank of Commerce, 0.0800%, 1/4/21	\$329,729	329,729
Total Investments Purchased with Cash Collateral from Securities Lending (cost \$1,648,646)		1,648,646
Total Investments (total cost \$333,473,820) – 100.3%		648,672,766
Liabilities, net of Cash, Receivables and Other Assets – (0.3)%		(1,949,884)
Net Assets – 100%		\$646,722,882

Summary of Investments by Country - (Long Positions) (unaudited)

<i>Country</i>	<i>Value</i>	<i>% of Investment Securities</i>
United States	\$640,771,234	98.8 %
Australia	7,901,532	1.2
Total	\$648,672,766	100.0 %

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Research Portfolio

Schedule of Investments

December 31, 2020

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	Realized Gain/(Loss)	Change in Unrealized Appreciation/ Depreciation	Value at 12/31/20
Investment Companies - 0.2%				
Money Markets - 0.2%				
Janus Henderson Cash Liquidity Fund LLC, 0.1108%	\$ 7,691	\$ 242	\$ -	\$ 1,551,134
Investments Purchased with Cash Collateral from Securities Lending - 0.2%				
Investment Companies - 0.2%				
Janus Henderson Cash Collateral Fund LLC, 0.0264%	3,289 ^A	-	-	1,318,917
Total Affiliated Investments - 0.4%	\$ 10,980	\$ 242	\$ -	\$ 2,870,051

	Value at 12/31/19	Purchases	Sales Proceeds	Value at 12/31/20
Investment Companies - 0.2%				
Money Markets - 0.2%				
Janus Henderson Cash Liquidity Fund LLC, 0.1108%	3,520,724	56,794,977	(58,764,809)	1,551,134
Investments Purchased with Cash Collateral from Securities Lending - 0.2%				
Investment Companies - 0.2%				
Janus Henderson Cash Collateral Fund LLC, 0.0264%	-	38,377,203	(37,058,286)	1,318,917

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Research 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.
Core Growth Index	Core Growth Index is an internally calculated, hypothetical combination of total returns from the Russell 1000 [®] Growth Index (50%) and the S&P 500 [®] Index (50%).
S&P 500 [®] Index	S&P 500 [®] Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.
LLC	Limited Liability Company
PLC	Public Limited Company

* Non-income producing security.

°° Rate shown is the 7-day yield as of December 31, 2020.

Loaned security; a portion of the security is on loan at December 31, 2020.

£ The Portfolio may invest in certain securities that are considered affiliated companies. As defined by the Investment Company Act of 1940, as amended, an affiliated company is one in which the Portfolio owns 5% or more of the outstanding voting securities, or a company which is under common ownership or control.

Δ Net of income paid to the securities lending agent and rebates paid to the borrowing counterparties.

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of December 31, 2020. See Notes to Financial Statements for more information.

Valuation Inputs Summary

	<i>Level 1 - Quoted Prices</i>	<i>Level 2 - Other Significant Observable Inputs</i>	<i>Level 3 - Significant Unobservable Inputs</i>
Assets			
Investments In Securities:			
<i>Common Stocks</i>	\$ 645,435,801	\$ -	\$ -
<i>Rights</i>	37,185	-	-
<i>Investment Companies</i>	-	1,551,134	-
<i>Investments Purchased with Cash Collateral from Securities Lending</i>	-	1,648,646	-
Total Assets	\$ 645,472,986	\$ 3,199,780	\$ -

Janus Henderson VIT Research Portfolio

Statement of Assets and Liabilities

December 31, 2020

Assets:		
Unaffiliated investments, at value ⁽¹⁾⁽²⁾	\$	645,802,715
Affiliated investments, at value ⁽³⁾		2,870,051
Non-interested Trustees' deferred compensation		14,888
Receivables:		
Dividends		267,647
Portfolio shares sold		189,724
Foreign tax reclaims		1,931
Dividends from affiliates		185
Other assets		9,320
Total Assets		649,156,461
Liabilities:		
Collateral for securities loaned (Note 2)		1,648,646
Payables:		
Advisory fees		313,062
Portfolio shares repurchased		290,772
Professional fees		41,070
12b-1 Distribution and shareholder servicing fees		39,435
Transfer agent fees and expenses		32,848
Non-interested Trustees' deferred compensation fees		14,888
Affiliated portfolio administration fees payable		1,483
Non-interested Trustees' fees and expenses		889
Custodian fees		830
Accrued expenses and other payables		49,656
Total Liabilities		2,433,579
Net Assets	\$	646,722,882
Net Assets Consist of:		
Capital (par value and paid-in surplus)	\$	298,321,437
Total distributable earnings (loss)		348,401,445
Total Net Assets	\$	646,722,882
Net Assets - Institutional Shares	\$	474,524,770
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		9,616,411
Net Asset Value Per Share	\$	49.35
Net Assets - Service Shares	\$	172,198,112
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		3,603,885
Net Asset Value Per Share	\$	47.78

(1) Includes cost of \$330,603,769.

(2) Includes \$1,613,842 of securities on loan. See Note 2 in Notes to Financial Statements.

(3) Includes cost of \$2,870,051.

See Notes to Financial Statements.

Janus Henderson VIT Research Portfolio

Statement of Operations

For the year ended December 31, 2020

Investment Income:		
Dividends	\$	5,238,681
Dividends from affiliates		7,691
Affiliated securities lending income, net		3,289
Unaffiliated securities lending income, net		287
Foreign tax withheld		(8)
Total Investment Income		5,249,940
Expenses:		
Advisory fees		2,881,717
12b-1 Distribution and shareholder servicing fees:		
Service Shares		382,440
Transfer agent administrative fees and expenses:		
Institutional Shares		208,609
Service Shares		76,488
Other transfer agent fees and expenses:		
Institutional Shares		20,148
Service Shares		3,433
Professional fees		47,797
Shareholder reports expense		25,523
Registration fees		25,187
Affiliated portfolio administration fees		14,255
Non-interested Trustees' fees and expenses		10,894
Custodian fees		10,306
Other expenses		77,666
Total Expenses		3,784,463
Net Investment Income/(Loss)		1,465,477
Net Realized Gain/(Loss) on Investments:		
Investments		34,158,138
Investments in affiliates		242
Total Net Realized Gain/(Loss) on Investments		34,158,380
Change in Unrealized Net Appreciation/Depreciation:		
Investments, foreign currency translations and non-interested Trustees' deferred compensation		129,988,619
Total Change in Unrealized Net Appreciation/Depreciation		129,988,619
Net Increase/(Decrease) in Net Assets Resulting from Operations	\$	165,612,476

See Notes to Financial Statements.

Janus Henderson VIT Research Portfolio

Statements of Changes in Net Assets

	Year ended		Year ended	
	December 31, 2020		December 31, 2019	
Operations:				
Net investment income/(loss)	\$	1,465,477	\$	2,499,915
Net realized gain/(loss) on investments		34,158,380		45,686,411
Change in unrealized net appreciation/depreciation		129,988,619		105,351,482
Net Increase/(Decrease) in Net Assets Resulting from Operations		165,612,476		153,537,808
Dividends and Distributions to Shareholders:				
Institutional Shares		(35,272,315)		(40,472,444)
Service Shares		(13,034,956)		(15,364,380)
Net Decrease from Dividends and Distributions to Shareholders		(48,307,271)		(55,836,824)
Capital Share Transactions:				
Institutional Shares		(10,891,213)		(851,843)
Service Shares		(9,193,039)		(2,966,698)
Net Increase/(Decrease) from Capital Share Transactions		(20,084,252)		(3,818,541)
Net Increase/(Decrease) in Net Assets		97,220,953		93,882,443
Net Assets:				
Beginning of period		549,501,929		455,619,486
End of period	\$	646,722,882	\$	549,501,929

See Notes to Financial Statements.

Janus Henderson VIT Research Portfolio

Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$40.79	\$33.70	\$36.51	\$28.93	\$30.84
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	0.14	0.21	0.19	0.16	0.14
Net realized and unrealized gain/(loss)	12.20	11.26	(0.94)	7.87	(0.03)
Total from Investment Operations	12.34	11.47	(0.75)	8.03	0.11
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.18)	(0.18)	(0.21)	(0.13)	(0.16)
Distributions (from capital gains)	(3.60)	(4.20)	(1.85)	(0.32)	(1.86)
Total Dividends and Distributions	(3.78)	(4.38)	(2.06)	(0.45)	(2.02)
Net Asset Value, End of Period	\$49.35	\$40.79	\$33.70	\$36.51	\$28.93
Total Return*	32.95%	35.52%	(2.58)%	27.88%	0.50%
Net Assets, End of Period (in thousands)	\$474,525	\$398,888	\$328,803	\$379,048	\$330,516
Average Net Assets for the Period (in thousands)	\$414,413	\$374,004	\$380,194	\$360,896	\$353,738
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.60%	0.59%	0.58%	0.61%	0.62%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.60%	0.59%	0.58%	0.61%	0.62%
Ratio of Net Investment Income/(Loss)	0.33%	0.55%	0.50%	0.48%	0.47%
Portfolio Turnover Rate	33%	38%	47%	55%	58%

Service Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$39.64	\$32.87	\$35.68	\$28.31	\$30.24
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	0.03	0.11	0.09	0.08	0.06
Net realized and unrealized gain/(loss)	11.80	10.98	(0.92)	7.69	(0.02)
Total from Investment Operations	11.83	11.09	(0.83)	7.77	0.04
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.09)	(0.12)	(0.13)	(0.08)	(0.11)
Distributions (from capital gains)	(3.60)	(4.20)	(1.85)	(0.32)	(1.86)
Total Dividends and Distributions	(3.69)	(4.32)	(1.98)	(0.40)	(1.97)
Net Asset Value, End of Period	\$47.78	\$39.64	\$32.87	\$35.68	\$28.31
Total Return*	32.58%	35.22%	(2.84)%	27.55%	0.27%
Net Assets, End of Period (in thousands)	\$172,198	\$150,614	\$126,817	\$160,439	\$143,900
Average Net Assets for the Period (in thousands)	\$151,973	\$141,550	\$148,101	\$155,006	\$151,772
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.85%	0.84%	0.83%	0.86%	0.87%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.85%	0.84%	0.83%	0.86%	0.87%
Ratio of Net Investment Income/(Loss)	0.08%	0.30%	0.25%	0.23%	0.22%
Portfolio Turnover Rate	33%	38%	47%	55%	58%

* 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.

Janus Henderson VIT Research Portfolio

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Janus Henderson VIT Research Portfolio (the "Portfolio") is a series of Janus Aspen Series (the "Trust"), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and therefore has applied the specialized accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946. The Trust offers 11 portfolios, each of which offers multiple share classes, with differing investment objectives and policies. The Portfolio seeks long-term growth of capital. The Portfolio is classified as diversified, as defined in the 1940 Act.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Each class represents an interest in the same portfolio of investments. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

Shareholders, including other portfolios, participating insurance companies, as well as accounts, may from time to time own (beneficially or of record) a significant percentage of the Portfolio's Shares and can be considered to "control" the Portfolio when that ownership exceeds 25% of the Portfolio's assets (and which may differ from control as determined in accordance with United States of America generally accepted accounting 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

Janus Henderson VIT Research Portfolio

Notes to Financial Statements

market participants would use in pricing an asset or liability and establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. These inputs are summarized into three broad levels:

Level 1 – Unadjusted quoted prices in active markets the Portfolio has the ability to access for identical assets or liabilities.

Level 2 – Observable inputs other than unadjusted quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Assets or liabilities categorized as Level 2 in the hierarchy generally include: debt securities fair valued in accordance with the evaluated bid or ask prices supplied by a pricing service; securities traded on OTC markets and listed securities for which no sales are reported that are fair valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees; certain short-term debt securities with maturities of 60 days or less that are fair valued at amortized cost; and equity securities of foreign issuers whose fair value is determined by using systematic fair valuation models provided by independent third parties in order to adjust for stale pricing which may occur between the close of certain foreign exchanges and the close of the NYSE. Other securities that may be categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, swaps, investments in unregistered investment companies, options, and forward contracts.

Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Portfolio's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for fair valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2020 to fair value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" in the Notes to Schedule of Investments and Other Information.

Investment Transactions and Investment Income

Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Portfolio is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Interest income is recorded daily on the accrual basis and includes amortization of premiums and accretion of discounts. The Portfolio classifies gains and losses on prepayments received as an adjustment to interest income. Debt securities may be placed in non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivables when collection of all or a portion of interest has become doubtful. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes. Income, as well as gains and losses, both realized and unrealized, are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets.

Expenses

The Portfolio bears expenses incurred specifically on its behalf. Each class of shares bears a portion of general expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

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Notes to Financial Statements

Indemnifications

In the normal course of business, the Portfolio may enter into contracts that contain provisions for indemnification of other parties against certain potential liabilities. The Portfolio's maximum exposure under these arrangements is unknown, and would involve future claims that may be made against the Portfolio that have not yet occurred. Currently, the risk of material loss from such claims is considered remote.

Foreign Currency Translations

The Portfolio does not isolate that portion of the results of operations resulting from the effect of changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held at the date of the financial statements. Net unrealized appreciation or depreciation of investments and foreign currency translations arise from changes in the value of assets and liabilities, including investments in securities held at the date of the financial statements, resulting from changes in the exchange rates and changes in market prices of securities held.

Currency gains and losses are also calculated on payables and receivables that are denominated in foreign currencies. The payables and receivables are generally related to foreign security transactions and income translations.

Foreign currency-denominated assets and forward currency contracts may involve more risks than domestic transactions, including currency risk, counterparty risk, political and economic risk, regulatory risk and equity risk. Risks may arise from unanticipated movements in the value of foreign currencies relative to the U.S. dollar.

Dividends and Distributions

The Portfolio may make semiannual distributions of substantially all of its investment income and an annual distribution of its net realized capital gains (if any).

The Portfolio may make certain investments in real estate investment trusts ("REITs") which pay dividends to their shareholders based upon funds available from operations. It is quite common for these dividends to exceed the REITs' taxable earnings and profits, resulting in the excess portion of such dividends being designated as a return of capital. If the Portfolio distributes such amounts, such distributions could constitute a return of capital to shareholders for federal income tax purposes.

Federal Income Taxes

The Portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income in accordance with the requirements of Subchapter M of the Internal Revenue Code. Management has analyzed the Portfolio's tax positions taken for all open federal income tax years, generally a three-year period, and has concluded that no provision for federal income tax is required in the Portfolio's financial statements. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

2. Other Investments and Strategies

Additional Investment Risk

In the aftermath of the 2007-2008 financial crisis, the financial sector experienced reduced liquidity in credit and other fixed-income markets, and an unusually high degree of volatility, both domestically and internationally. In response to the crisis, the United States and certain foreign governments, along with the U.S. Federal Reserve and certain foreign central banks, took a number of unprecedented steps designed to support the financial markets. For example, the enactment of the Dodd-Frank Act in 2010 provided for widespread regulation of financial institutions, consumer financial products and services, broker-dealers, over-the-counter derivatives, investment advisers, credit rating agencies, and mortgage lending, which expanded federal oversight in the financial sector, including the investment management industry. More recently, in response to the COVID-19 pandemic, the U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets, including reducing interest rates to record-low levels. Extremely low or negative interest rates may become more prevalent or may not work as intended. As there is little precedent for this situation, the impact on various markets that interest rate or other significant policy changes may have is unknown. The withdrawal of this support, a failure of measures put in place in response to such economic uncertainty, or investor perception that such efforts were not sufficient could each negatively affect financial markets generally, and the value and liquidity of specific securities. In addition, policy and legislative changes in the United States and in other countries continue to impact many aspects of financial regulation.

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Widespread disease, including pandemics and epidemics, and natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Fund's investments.

Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries, including the United States. These disruptions could prevent a Fund from executing advantageous investment decisions in a timely manner and negatively impact a Fund's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Fund. In addition, these disruptions could also impair the information technology and other operational systems upon which the Fund's service providers, including Janus Capital Management LLC ("Janus Capital") or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Fund's service providers to perform essential tasks on behalf of the Fund. Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance and reinsurance companies that insure or reinsure against the impact of natural disasters.

A number of countries in the European Union (the "EU") have experienced, and may continue to experience, severe economic and financial difficulties. In particular, many EU nations are susceptible to economic risks associated with high levels of debt. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts. Many other issuers have faced difficulties obtaining credit or refinancing existing obligations. Financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit. As a result, financial markets in the EU have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen, or spread further within the EU. Responses to these financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest, and may limit future growth and economic recovery or have other unintended consequences. The risk of investing in securities in the European markets may also be heightened due to the referendum in which the United Kingdom voted to exit the EU, commonly known as "Brexit," which immediately led to significant market volatility around the world, as well as political, economic and legal uncertainty. The United Kingdom formally left the EU on January 31, 2020 and entered into an eleven-month transition period, which expired on December 31, 2020. The negative impact on not only the United Kingdom and European economies could be significant, potentially resulting in increased volatility and illiquidity and lower economic growth for companies that rely significantly on the United Kingdom and/or Europe for their business activities and revenues. Any further exits from the EU, or an increase in the belief that such exits are likely or possible, would likely cause additional market disruption globally and introduce new legal and regulatory uncertainties.

Counterparties

Portfolio transactions involving a counterparty are subject to the risk that the counterparty or a third party will not fulfill its obligation to the Portfolio ("counterparty risk"). Counterparty risk may arise because of the counterparty's financial condition (i.e., financial difficulties, bankruptcy, or insolvency), market activities and developments, or other reasons, whether foreseen or not. A counterparty's inability to fulfill its obligation may result in significant financial loss to the Portfolio. The Portfolio may be unable to recover its investment from the counterparty or may obtain a limited recovery, and/or recovery may be delayed. The extent of the Portfolio's exposure to counterparty risk with respect to financial assets and liabilities approximates its carrying value.

The Portfolio may be exposed to counterparty risk through participation in various programs, including, but not limited to, lending its securities to third parties, cash sweep arrangements whereby the Portfolio's cash balance is invested in one or more types of cash management vehicles, as well as investments in, but not limited to, repurchase agreements, debt securities, and derivatives, including various types of swaps, futures and options. The Portfolio intends to enter into financial transactions with counterparties that Janus Capital believes to be creditworthy at the time of the transaction. There is always the risk that Janus Capital's analysis of a counterparty's creditworthiness is incorrect or may change due to market conditions. To the extent that the Portfolio focuses its transactions with a limited number of counterparties, it will have greater exposure to the risks associated with one or more counterparties.

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.

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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

	Gross Amounts of Recognized		Offsetting Asset		Collateral		
Counterparty	Assets		or Liability ^(a)		Pledged ^(b)		Net Amount
JPMorgan Chase Bank, National Association	\$	1,613,842	\$	—	\$	(1,613,842)	\$ —

(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 Fund 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.

Securities Lending

Under procedures adopted by the Trustees, the Portfolio may seek to earn additional income by lending securities to certain qualified broker-dealers and institutions. JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. The Portfolio may lend portfolio securities in an amount equal to up to 1/3 of its total assets as determined at the time of the loan origination. There is the risk of delay in recovering a loaned security or the risk of loss in collateral rights if the borrower fails financially. In addition, Janus Capital makes efforts to balance the benefits and risks from granting such loans. All loans will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the SEC. If the Portfolio is unable to recover a security on loan, the Portfolio may use the collateral to purchase replacement securities in the market. There is a risk that the value of the collateral could decrease below the cost of the replacement security by the time the replacement investment is made, resulting in a loss to the Portfolio. In certain circumstances individual loan transactions could yield negative returns.

Upon receipt of cash collateral, Janus Capital may invest it in affiliated or non-affiliated cash management vehicles, whether registered or unregistered entities, as permitted by the 1940 Act and rules promulgated thereunder. Janus Capital currently intends to primarily invest the cash collateral in a cash management vehicle for which Janus Capital serves as investment adviser, Janus Henderson Cash Collateral Fund LLC, or in time deposits. An investment in Janus Henderson Cash Collateral Fund LLC is generally subject to the same risks that shareholders experience when

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investing in similarly structured vehicles, such as the potential for significant fluctuations in assets as a result of the purchase and redemption activity of the securities lending program, a decline in the value of the collateral, and possible liquidity issues. Such risks may delay the return of the cash collateral and cause the Portfolio to violate its agreement to return the cash collateral to a borrower in a timely manner. As adviser to the Portfolio and Janus Henderson Cash Collateral Fund LLC, Janus Capital has an inherent conflict of interest as a result of its fiduciary duties to both the Portfolio and Janus Henderson Cash Collateral Fund LLC. Additionally, Janus Capital receives an investment advisory fee of 0.05% for managing Janus Henderson Cash Collateral Fund LLC, but it may not receive a fee for managing certain other affiliated cash management vehicles in which the Portfolio may invest, and therefore may have an incentive to allocate preferred investment opportunities to investment vehicles for which it is receiving a fee.

The value of the collateral must be at least 102% of the market value of the loaned securities that are denominated in U.S. dollars and 105% of the market value of the loaned securities that are not denominated in U.S. dollars. Loaned securities and related collateral are marked-to-market each business day based upon the market value of the loaned securities at the close of business, employing the most recent available pricing information. Collateral levels are then adjusted based on this mark-to-market evaluation.

The cash collateral invested by Janus Capital is disclosed in the Schedule of Investments (if applicable).

Income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to the lending agent are included as "Affiliated securities lending income, net" on the Statement of Operations. As of December 31, 2020, securities lending transactions accounted for as secured borrowings with an overnight and continuous contractual maturity are \$1,613,842. Gross amounts of recognized liabilities for securities lending (collateral received) as of December 31, 2020 is \$1,648,646, resulting in the net amount due to the counterparty of \$34,804.

3. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays Janus Capital Management LLC ("Janus Capital") an investment advisory fee which is calculated daily and paid monthly. The Portfolio's "base" fee rate prior to any performance adjustment (expressed as an annual rate) is 0.64%.

The investment advisory fee rate is determined by calculating a base fee and applying a performance adjustment. The base fee rate is the same as the contractual investment advisory fee rate. The performance adjustment either increases or decreases the base fee depending on how well the Portfolio has performed relative to its benchmark index. Prior to May 1, 2017, the Portfolio's benchmark index used in the calculation was the Core Growth Index. Effective May 1, 2017, the Portfolio's performance fee adjustment is calculated based on a combination of the Core Growth Index and Russell 1000[®] Growth Index for a period of 36 months.

The calculation of the performance adjustment applies as follows:

Investment Advisory Fee = Base Fee Rate +/- Performance Adjustment

The investment advisory fee rate paid to Janus Capital by the Portfolio consists of two components: (1) a base fee calculated by applying the contractual fixed rate of the advisory fee to the Portfolio's average daily net assets during the previous month ("Base Fee Rate"), plus or minus (2) a performance-fee adjustment ("Performance Adjustment") calculated by applying a variable rate of up to 0.15% (positive or negative) to the Portfolio's average daily net assets based on the Portfolio's relative performance compared to the cumulative investment record of its benchmark index over a 36-month performance measurement period or shorter time period, as applicable. The investment performance of a Portfolio's Service Shares for the performance measurement period is used to calculate the Performance Adjustment. No Performance Adjustment is applied unless the difference between the Portfolio's investment performance and the cumulative investment record of the benchmark index is 0.50% or greater (positive or negative) during the applicable performance measurement period.

The Portfolio's prospectuses and statement(s) of additional information contain additional information about performance-based fees. The amount shown as advisory fees on the Statement of Operations reflects the Base Fee Rate plus/minus any Performance Adjustment. For the year ended December 31, 2020, the performance adjusted investment advisory fee rate before any waivers and/or reimbursements of expenses is 0.50%.

Janus Services LLC ("Janus Services"), a wholly-owned subsidiary of Janus Capital, is the Portfolio's transfer agent. Janus Services receives an administrative services fee at an annual rate of 0.05% of the average daily net assets of the Portfolio for arranging for the provision by participating insurance companies and qualified plan service providers of

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administrative services, including recordkeeping, subaccounting, order processing, or other shareholder services provided on behalf of contract holders or plan participants investing in the Portfolio. Other shareholder services may include the provision of order confirmations, periodic account statements, forwarding prospectuses, shareholder reports, and other materials to existing investors, and answering inquiries regarding accounts. Janus Services expects to use this entire fee to compensate insurance companies and qualified plan service providers for providing these services to their customers who invest in the Portfolio. Any unused portion will be reimbursed to the applicable share class at least annually.

In addition, Janus Services provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. Janus Services is not compensated for these internal services related to the shares, except for out-of-pocket costs. These amounts are disclosed as "Other transfer agent fees and expenses" on the Statement of Operations.

Under a distribution and shareholder servicing plan (the "Plan") adopted in accordance with Rule 12b-1 under the 1940 Act, the Service Shares may pay the Trust's distributor, Janus Distributors LLC ("Janus Distributors"), a wholly-owned subsidiary of Janus Capital, a fee for the sale and distribution and/or shareholder servicing of the Service Shares at an annual rate of up to 0.25% of the average daily net assets of the Service Shares. Under the terms of the Plan, the Trust is authorized to make payments to Janus Distributors for remittance to insurance companies and qualified plan service providers as compensation for distribution and/or shareholder services performed by such entities. These amounts are disclosed as "12b-1 Distribution and shareholder servicing fees" on the Statement of Operations. Payments under the Plan are not tied exclusively to actual 12b-1 distribution and servicing fees, and the payments may exceed 12b-1 distribution and servicing fees actually incurred. If any of the Portfolio's actual 12b-1 distribution and servicing fees incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in "12b-1 Distribution and shareholder servicing fees" in the Statement of Operations.

Janus Capital serves as administrator to the Portfolio pursuant to an administration agreement between Janus Capital and the Trust. Under the administration agreement, Janus Capital is obligated to provide or arrange for the provision of certain administration, compliance, and accounting services to the Portfolio, including providing office space for the Portfolio, and is reimbursed by the Portfolio for certain of its costs in providing these services (to the extent Janus Capital seeks reimbursement and such costs are not otherwise waived). In addition, employees of Janus Capital and/or its affiliates may serve as officers of the Trust. The Portfolio pays for some or all of the salaries, fees, and expenses of Janus Capital employees and Portfolio officers, with respect to certain specified administration functions they perform on behalf of the Portfolio. The Portfolio pays these costs based on out-of-pocket expenses incurred by Janus Capital, and these costs are separate and apart from advisory fees and other expenses paid in connection with the investment advisory services Janus Capital (or any subadvisor, as applicable) provides to the Portfolio. These amounts are disclosed as "Affiliated portfolio administration fees" on the Statement of Operations. In addition, some expenses related to compensation payable to the Portfolio's Chief Compliance Officer and certain compliance staff, all of whom are employees of Janus Capital and/or its affiliates, are shared with the Portfolio. Total compensation of \$34,973 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2020. The Portfolio's portion is reported as part of "Other expenses" on the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the "Deferred Plan") for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus Henderson funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/(depreciation) and is included as of December 31, 2020 on the Statement of Assets and Liabilities in the asset, "Non-interested Trustees' deferred compensation," and liability, "Non-interested Trustees' deferred compensation fees." Additionally, the recorded unrealized appreciation/(depreciation) is included in "Total distributable earnings (loss)" on the Statement of Assets and Liabilities. Deferred compensation expenses for the year ended December 31, 2020 are included in "Non-interested Trustees' fees and expenses" on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan.

Janus Henderson VIT Research Portfolio

Notes to Financial Statements

Deferred fees of \$471,450 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2020.

Pursuant to the provisions of the 1940 Act and related rules, the Portfolio may participate in an affiliated or non-affiliated cash sweep program. In the cash sweep program, uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or non-affiliated money market funds or cash management pooled investment vehicles that operate as money market funds. The Portfolio is eligible to participate in the cash sweep program (the "Investing Funds"). As adviser, Janus Capital has an inherent conflict of interest because of its fiduciary duties to the affiliated money market funds or cash management pooled investment vehicles and the Investing Funds. Janus Henderson Cash Liquidity Fund LLC (the "Sweep Vehicle") is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. The Sweep Vehicle operates pursuant to the provisions of the 1940 Act that govern the operation of money market funds and prices its shares at NAV reflecting market-based values of its portfolio securities (i.e., a "floating" NAV) rounded to the fourth decimal place (e.g., \$1.0000). The Sweep Vehicle is permitted to impose a liquidity fee (of up to 2%) on redemptions from the Sweep Vehicle or a redemption gate that temporarily suspends redemptions from the Sweep Vehicle for up to 10 business days during a 90 day period. There are no restrictions on the Portfolio's ability to withdraw investments from the Sweep Vehicle at will, and there are no unfunded capital commitments due from the Portfolio to the Sweep Vehicle. The Sweep Vehicle does not charge any management fee, sales charge or service fee.

Any purchases and sales, realized gains/losses and recorded dividends from affiliated investments during the year ended December 31, 2020 can be found in the "Schedules of Affiliated Investments" located in the Schedule of Investments.

The Portfolio is permitted to purchase or sell securities ("cross-trade") between itself and other funds or accounts managed by Janus Capital in accordance with Rule 17a-7 under the Investment Company Act of 1940 ("Rule 17a-7"), when the transaction is consistent with the investment objectives and policies of the Portfolio and in accordance with the Internal Cross Trade Procedures adopted by the Trust's Board of Trustees. These procedures have been designed to ensure that any cross-trade of securities by the Portfolio from or to another fund or account that is or could be considered an affiliate of the Portfolio under certain limited circumstances by virtue of having a common investment adviser, common Officer, or common Trustee complies with Rule 17a-7. Under these procedures, each cross-trade is effected at the current market price to save costs where allowed. During the year ended December 31, 2020, the Portfolio engaged in cross trades amounting to \$1,551,700 in purchases and \$325,200 in sales, resulting in a net realized loss of \$134,777. The net realized loss is included within the "Net Realized Gain/(Loss) on Investments" section of the Portfolio's Statement of Operations.

4. Federal Income Tax

The tax components of capital shown in the table below represent: (1) distribution requirements the Portfolio must satisfy under the income tax regulations; (2) losses or deductions the Portfolio may be able to offset against income and gains realized in future years; and (3) unrealized appreciation or depreciation of investments for federal income tax purposes.

Other book to tax differences primarily consist of deferred compensation. The Portfolio has elected to treat gains and losses on forward foreign currency contracts as capital gains and losses, if applicable. Other foreign currency gains and losses on debt instruments are treated as ordinary income for federal income tax purposes pursuant to Section 988 of the Internal Revenue Code.

Undistributed Ordinary Income	Undistributed Long-Term Gains	Accumulated Capital Losses	Loss Deferrals		Other Book to Tax Differences	Net Tax Appreciation/ (Depreciation)
			Late-Year Ordinary Loss	Post-October Capital Loss		
\$ 523,535	\$ 34,367,257	\$ -	\$ -	\$ -	\$ (13,021)	\$313,523,674

Janus Henderson VIT Research Portfolio

Notes to Financial Statements

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of December 31, 2020 are noted below. The primary differences between book and tax appreciation or depreciation of investments are wash sale loss deferrals and investments in partnerships.

<i>Federal Tax Cost</i>	<i>Unrealized Appreciation</i>	<i>Unrealized (Depreciation)</i>	<i>Net Tax Appreciation/ (Depreciation)</i>
\$ 335,149,092	\$315,093,727	\$ (1,570,053)	\$ 313,523,674

Income and capital gains distributions are determined in accordance with income tax regulations that may differ from US GAAP. These differences are due to differing treatments for items such as net short-term gains, deferral of wash sale losses, and capital loss carryovers. Certain permanent differences such as tax returns of capital and net investment losses noted below have been reclassified to capital.

For the year ended December 31, 2020

<i>Distributions</i>			
<i>From Ordinary Income</i>	<i>From Long-Term Capital Gains</i>	<i>Tax Return of Capital</i>	<i>Net Investment Loss</i>
\$ 2,763,758	\$ 45,543,513	\$ -	\$ -

For the year ended December 31, 2019

<i>Distributions</i>			
<i>From Ordinary Income</i>	<i>From Long-Term Capital Gains</i>	<i>Tax Return of Capital</i>	<i>Net Investment Loss</i>
\$ 2,134,300	\$ 53,702,524	\$ -	\$ -

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:

<i>Increase/(Decrease) to Capital</i>	<i>Increase/(Decrease) to Undistributed Net Investment Income/Loss</i>	<i>Increase/(Decrease) to Undistributed Net Realized Gain/Loss</i>
\$ (1)	\$ 212,444	\$ (212,443)

5. Capital Share Transactions

	<i>Year ended December 31, 2020</i>		<i>Year ended December 31, 2019</i>	
	<i>Shares</i>	<i>Amount</i>	<i>Shares</i>	<i>Amount</i>
Institutional Shares:				
Shares sold	202,327	\$ 8,569,372	149,935	\$ 5,697,516
Reinvested dividends and distributions	921,801	35,272,315	1,104,132	40,472,444
Shares repurchased	(1,285,622)	(54,732,900)	(1,232,956)	(47,021,803)
Net Increase/(Decrease)	(161,494)	\$(10,891,213)	21,111	\$ (851,843)
Service Shares:				
Shares sold	258,558	\$ 10,480,986	234,733	\$ 8,722,600
Reinvested dividends and distributions	352,420	13,034,956	431,372	15,364,380
Shares repurchased	(807,058)	(32,708,981)	(724,029)	(27,053,678)
Net Increase/(Decrease)	(196,080)	\$ (9,193,039)	(57,924)	\$(2,966,698)

Janus Henderson VIT Research Portfolio

Notes to Financial Statements

6. Purchases and Sales of Investment Securities

For the year ended December 31, 2020, the aggregate cost of purchases and proceeds from sales of investment securities (excluding any short-term securities, short-term options contracts, TBAs, and in-kind transactions, as applicable) was as follows:

<i>Purchases of Securities</i>	<i>Proceeds from Sales of Securities</i>	<i>Purchases of Long- Term U.S. Government Obligations</i>	<i>Proceeds from Sales of Long-Term U.S. Government Obligations</i>
\$187,336,401	\$ 252,347,758	\$ -	\$ -

7. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2020 and through the date of issuance of the Portfolio's financial statements and determined that there were no material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

Janus Henderson VIT Research Portfolio

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Janus Aspen Series and Shareholders of Janus Henderson VIT Research 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 Research Portfolio (one of the portfolios constituting Janus Aspen Series, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statements of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian and transfer agent. We believe that our audits provide a reasonable basis for our opinion.



Denver, Colorado
February 16, 2021

We have served as the auditor of one or more investment companies in Janus Henderson Funds since 1990.

Janus Henderson VIT Research Portfolio

Additional Information (unaudited)

Proxy Voting Policies and Voting Record

A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-1093; (ii) on the Portfolio's website at janushenderson.com/proxyvoting; and (iii) on the SEC's website at <http://www.sec.gov>. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through janushenderson.com/proxyvoting and from the SEC's website at <http://www.sec.gov>.

Full Holdings

The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC as an exhibit to Form N-PORT within 60 days of the end of the first and third fiscal quarters, and in the annual report and semiannual report to shareholders. The Portfolio's Form N-PORT filings and annual and semiannual reports: (i) are available on the SEC's website at <http://www.sec.gov>; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) are available without charge, upon request, by calling a Janus Henderson representative at 1-877-335-2687 (toll free). Portfolio holdings consisting of at least the names of the holdings are generally available on a monthly basis with a 30-day lag under Full Holdings for the Portfolio at janushenderson.com/vit.

APPROVAL OF ADVISORY AGREEMENTS DURING THE PERIOD

The Trustees of Janus Aspen Series, each of whom serves as an "independent" Trustee (the "Trustees"), oversee the management of each Portfolio of Janus Aspen Series (each, a "VIT Portfolio," and collectively, the "VIT Portfolios"), as well as each Fund of Janus Investment Fund (together with the VIT Portfolios, the "Janus Henderson Funds," and each, a "Janus Henderson Fund"). As required by law, the Trustees determine annually whether to continue the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreements for the Janus Henderson Funds that utilize subadvisers.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received, and reviewed information provided by Janus Capital and the respective subadvisers in response to requests of the Trustees and their independent legal counsel. They also received and reviewed information and analysis provided by, and in response to requests of, their independent fee consultant. Throughout their consideration of the agreements, the Trustees were advised by their independent legal counsel. The Trustees met with management to consider the agreements, and also met separately in executive session with their independent legal counsel and their independent fee consultant.

At a meeting held on December 9, 2020, based on the Trustees' evaluation of the information provided by Janus Capital, the subadvisers, and the independent fee consultant, as well as other information, the Trustees determined that the overall arrangements between each Janus Henderson Fund and Janus Capital and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by Janus Capital, its affiliates and the subadvisers, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment. At that meeting, the Trustees unanimously approved the continuation of the investment advisory agreement for each Janus Henderson Fund, and the subadvisory agreement for each subadvised Janus Henderson Fund, for the period from February 1, 2021 through February 1, 2022, subject to earlier termination as provided for in each agreement.

In considering the continuation of those agreements, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Trustees' determination to approve the continuation of the agreements are discussed separately below. Also included is a summary of the independent fee consultant's conclusions and opinions that arose during, and were included as part of, the Trustees' consideration of the agreements. "Management fees," as used herein, reflect actual annual advisory fees and, for the purpose of peer comparisons any administration fees (excluding out of pocket costs), net of any waivers, paid by a fund as a percentage of average net assets.

Nature, Extent and Quality of Services

The Trustees reviewed the nature, extent and quality of the services provided by Janus Capital and the subadvisers to the Janus Henderson Funds, taking into account the investment objective, strategies and policies of each Janus Henderson Fund, and the knowledge the Trustees gained from their regular meetings with management on at least a

Janus Henderson VIT Research Portfolio

Additional Information (unaudited)

quarterly basis and their ongoing review of information related to the Janus Henderson Funds. In addition, the Trustees reviewed the resources and key personnel of Janus Capital and each subadviser, particularly noting those employees who provide investment and risk management services to the Janus Henderson Funds. The Trustees also considered other services provided to the Janus Henderson Funds by Janus Capital or the subadvisers, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered Janus Capital's role as administrator to the Janus Henderson Funds, noting that Janus Capital generally does not receive a fee for its services but is reimbursed for its out-of-pocket costs. The Trustees considered the role of Janus Capital in monitoring adherence to the Janus Henderson Funds' investment restrictions, providing support services for the Trustees and Trustee committees, and overseeing communications with shareholders and the activities of other service providers, including monitoring compliance with various policies and procedures of the Janus Henderson Funds and with applicable securities laws and regulations.

In this regard, the independent fee consultant noted that Janus Capital provides a number of different services for the Janus Henderson Funds and fund shareholders, ranging from investment management services to various other servicing functions, and that, in its view, Janus Capital is a capable provider of those services. The independent fee consultant also provided its belief that Janus Capital has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance over the long term.

The Trustees concluded that the nature, extent and quality of the services provided by Janus Capital or the subadviser to each Janus Henderson Fund were appropriate and consistent with the terms of the respective advisory and subadvisory agreements, and that, taking into account steps taken to address those Janus Henderson Funds whose performance lagged that of their peers for certain periods, the Janus Henderson Funds were likely to benefit from the continued provision of those services. They also concluded that Janus Capital and each subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and had demonstrated its ability to attract well-qualified personnel.

Performance of the Funds

The Trustees considered the performance results of each Janus Henderson Fund over various time periods. They noted that they considered Janus Henderson Fund performance data throughout the year, including periodic meetings with each Janus Henderson Fund's portfolio manager(s), and also reviewed information comparing each Janus Henderson Fund's performance with the performance of comparable funds and peer groups identified by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent data provider, and with the Janus Henderson Fund's benchmark index. In this regard, the independent fee consultant found that the overall Janus Henderson Funds' performance has been reasonable: for the 36 months ended September 30, 2020, approximately 75% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2020, approximately 62% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers.

The Trustees considered the performance of each Janus Henderson Fund, noting that performance may vary by share class, and noted the following with respect to the VIT Portfolios:

- For Janus Henderson Balanced Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance, and that the performance trend was improving.

Janus Henderson VIT Research Portfolio

Additional Information (unaudited)

- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Global Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital and Perkins had taken or were taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020.

In consideration of each Janus Henderson Fund's performance, the Trustees concluded that, taking into account the factors relevant to performance, as well as other considerations, including steps taken to improve performance, the Janus Henderson Fund's performance warranted continuation of such Janus Henderson Fund's investment advisory and subadvisory agreement(s).

Costs of Services Provided

The Trustees examined information regarding the fees and expenses of each Janus Henderson Fund in comparison to similar information for other comparable funds as provided by Broadridge, an independent data provider. They also reviewed an analysis of that information provided by their independent fee consultant and noted that the rate of management fees (investment advisory fees and any administration fees but excluding out-of-pocket costs) for many of the Janus Henderson Funds, after applicable waivers, was below the average management fee rate of the respective peer group of funds selected by an independent data provider. The Trustees also examined information regarding the subadvisory fees charged for subadvisory services, as applicable, noting that all such fees were paid by Janus Capital out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by Janus Capital to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by Janus Capital. The independent fee consultant found: (1) the total expenses and management fees of the Janus Henderson Funds to be reasonable relative to other comparable mutual funds; (2) the total expenses, on average, were 10% under the average total expenses of the respective Broadridge Expense Group peers; and (3) the management fees for the Janus Henderson Funds, on average, were 9% under the average management fees for the respective Broadridge Expense Group. The Trustees also considered the total expenses for

Janus Henderson VIT Research Portfolio

Additional Information (unaudited)

each share class of each Janus Henderson Fund compared to the average total expenses for its Broadridge Expense Group and to average total expenses for its Broadridge Expense Universe.

For certain Janus Henderson Funds, the independent fee consultant also performed a systematic “focus list” analysis of expenses which assessed fund fees in the context of fund performance being delivered. Based on this analysis, the independent fee consultant found that the combination of service quality/performance and expenses on these individual Janus Henderson Funds was reasonable in light of performance trends, performance histories, and existence of performance fees, breakpoints, and/or expense waivers on such Janus Henderson Funds.

The Trustees considered the methodology used by Janus Capital and each subadviser in determining compensation payable to portfolio managers, the competitive environment for investment management talent, and the competitive market for mutual funds in different distribution channels.

The Trustees also reviewed management fees charged by Janus Capital and each subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by Janus Capital or by a subadviser (for which Janus Capital or the subadviser provides only or primarily portfolio management services). Although in most instances subadvisory and separate account fee rates for various investment strategies were lower than management fee rates for Janus Henderson Funds having a similar strategy, the Trustees considered that Janus Capital noted that, under the terms of the management agreements with the Janus Henderson Funds, Janus Capital performs significant additional services for the Janus Henderson Funds that it does not provide to those other clients, including administration services, oversight of the Janus Henderson Funds' other service providers, trustee support, regulatory compliance and numerous other services, and that, in serving the Janus Henderson Funds, Janus Capital assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, they noted that the independent fee consultant found that: (1) the management fees Janus Capital charges to the Janus Henderson Funds are reasonable in relation to the management fees Janus Capital charges to funds subadvised by Janus Capital and to the fees Janus Capital charges to its institutional separate account clients; (2) these subadvised and institutional separate accounts have different service and infrastructure needs and operate in markets very distinct relative to retail funds; and (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; (4) 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by Janus Capital; and (5) 5 of 8 Janus Henderson Funds have lower management fees than similar separate accounts managed by Janus Capital.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2019, including the VIT Portfolios, and noted the following with regard to each VIT Portfolio's total expenses, net of applicable fee waivers (the VIT Portfolio's “total expenses”):

- For Janus Henderson Balanced Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.
- For Janus Henderson Forty Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Research Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.

Janus Henderson VIT Research Portfolio

Additional Information (unaudited)

- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's total expenses were below the peer group average for both share classes.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for its sole share class.

The Trustees reviewed information on the overall profitability to Janus Capital and its affiliates of their relationship with the Janus Henderson Funds, and considered profitability data of other publicly traded mutual fund advisers. The Trustees recognized that profitability comparisons among fund managers are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund manager is affected by numerous factors, including the organizational structure of the particular fund manager, differences in complex size, difference in product mix, difference in types of business (mutual fund, institutional and other), differences in the types of funds and other accounts it manages, possible other lines of business, the methodology for allocating expenses, and the fund manager's capital structure and cost of capital.

Additionally, the Trustees considered the estimated profitability to Janus Capital from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether Janus Capital and each subadviser receive adequate incentives and resources to manage the Janus Henderson Funds effectively. In reviewing profitability, the Trustees noted that the estimated profitability for an individual Janus Henderson Fund is necessarily a product of the allocation methodology utilized by Janus Capital to allocate its expenses as part of the estimated profitability calculation. In this regard, the Trustees noted that the independent fee consultant found that (1) the expense allocation methodology and rationales utilized by Janus Capital were reasonable and (2) no clear correlation exists between expense allocations and operating margins. The Trustees also considered that the estimated profitability for an individual Janus Henderson Fund was influenced by a number of factors, including not only the allocation methodology selected, but also the presence of fee waivers and expense caps, and whether the Janus Henderson Fund's investment management agreement contained breakpoints or a performance fee component. The Trustees determined, after taking into account these factors, among others, that Janus Capital's estimated profitability with respect to each Janus Henderson Fund was not unreasonable in relation to the services provided, and that the variation in the range of such estimated profitability among the Janus Henderson Funds was not a material factor in the Board's approval of the reasonableness of any Janus Henderson Fund's investment management fees.

The Trustees concluded that the management fees payable by each Janus Henderson Fund to Janus Capital and its affiliates, as well as the fees paid by Janus Capital to the subadvisers of subadvised Janus Henderson Funds, were reasonable in relation to the nature, extent, and quality of the services provided, taking into account the fees charged by other advisers for managing comparable mutual funds with similar strategies, the fees Janus Capital and the subadvisers charge to other clients, and, as applicable, the impact of fund performance on management fees payable by the Janus Henderson Funds. The Trustees also concluded that each Janus Henderson Fund's total expenses were reasonable, taking into account the size of the Janus Henderson Fund, the quality of services provided by Janus Capital and any subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by Janus Capital.

Economies of Scale

The Trustees considered information about the potential for Janus Capital to realize economies of scale as the assets of the Janus Henderson Funds increase. They noted that their independent fee consultant published a report to the Trustees in November 2019 which provided its research and analysis into economies of scale. They also noted that, although many Janus Henderson Funds pay advisory fees at a fixed base rate as a percentage of net assets, without any breakpoints or performance fees, their independent fee consultant concluded that 73% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. They also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of Janus Capital, Janus Capital is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) as the assets of some of the Janus Henderson Funds have declined in the past few years, certain of those Janus Henderson Funds have benefited from having advisory fee rates that have remained constant rather than increasing as assets declined; (3) performance fee structures have been implemented for various Janus Henderson Funds that have caused the effective rate of advisory fees payable by such

Janus Henderson VIT Research Portfolio

Additional Information (unaudited)

Janus Henderson Fund to vary depending on the investment performance of the Janus Henderson Fund relative to its benchmark index over the measurement period; and (4) a few Janus Henderson Funds have fee schedules with breakpoints and reduced fee rates above certain asset levels. The Trustees also noted that the Janus Henderson Funds share directly in economies of scale through the significant investments made by Janus Capital and its affiliates related to services provided to the Funds and the lower charges of third-party service providers that are based in part on the combined scale of all of the Janus Henderson Funds.

The Trustees also considered the independent fee consultant's conclusion that, given the limitations of various analytical approaches to economies of scale and their conflicting results, it is difficult to analytically confirm or deny the existence of economies of scale in the Janus Henderson complex. In this regard, the independent consultant concluded that (1) to the extent there were economies of scale at Janus Capital, Janus Capital's general strategy of setting fixed management fees below peers appeared to share any such economies with investors even on smaller Janus Henderson Funds which have not yet achieved those economies and (2) by setting lower fixed fees from the start on these Janus Henderson Funds, Janus Capital appeared to be investing to increase the likelihood that these Janus Henderson Funds will grow to a level to achieve any economies of scale that may exist. Further, the independent fee consultant provided its belief that Janus Henderson Fund investors are well-served by the fee levels and performance fee structures in place on the Janus Henderson Funds in light of any economies of scale that may be present at Janus Capital.

Based on all of the information reviewed, including the recent and past research and analysis conducted by the Trustees' independent fee consultant, the Trustees concluded that the current fee structure of each Janus Henderson Fund was reasonable and that the current rates of fees do reflect a sharing between Janus Capital and the Janus Henderson Fund of any economies of scale that may be present at the current asset level of the Janus Henderson Fund.

Other Benefits to Janus Capital

The Trustees also considered benefits that accrue to Janus Capital and its affiliates and subadvisers to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of Janus Capital separately serve the Janus Henderson Funds as transfer agent and distributor, respectively, and the transfer agent receives compensation directly from the non-money market funds for services provided, and that such compensation contributes to the overall profitability of Janus Capital and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered Janus Capital's past and proposed use of commissions paid by the Janus Henderson Funds on portfolio brokerage transactions to obtain proprietary and third-party research products and services benefiting the Janus Henderson Fund and/or other clients of Janus Capital and Janus Capital, and/or a subadviser to a Janus Henderson Fund. The Trustees concluded that Janus Capital's and the subadvisers' use of these types of client commission arrangements to obtain proprietary and third-party research products and services was consistent with regulatory requirements and guidelines and was likely to benefit each Janus Henderson Fund. The Trustees also concluded that, other than the services provided by Janus Capital and its affiliates and subadvisers pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and Janus Capital and the subadvisers may potentially benefit from their relationship with each other in other ways. They concluded that Janus Capital and its affiliates share directly in economies of scale through the lower charges of third-party service providers that are based in part on the combined scale of the Janus Henderson Funds and other clients serviced by Janus Capital and its affiliates. They also concluded that Janus Capital and/or the subadvisers benefit from the receipt of research products and services acquired through commissions paid on portfolio transactions of the Janus Henderson Funds and that the Janus Henderson Funds benefit from Janus Capital's and/or the subadvisers' receipt of those products and services as well as research products and services acquired through commissions paid by other clients of Janus Capital and/or other clients of the subadvisers. They further concluded that the success of any Janus Henderson Fund could attract other business to Janus Capital, the subadvisers or other Janus Henderson funds, and that the success of Janus Capital and the subadvisers could enhance Janus Capital's and the subadvisers' ability to serve the Janus Henderson Funds.

Janus Henderson VIT Research Portfolio

Useful Information About Your Portfolio Report (unaudited)

Management Commentary

The Management Commentary in this report includes valuable insight as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of risk. A company may be allocated to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed in the Management Commentary are just that: opinions. They are a reflection based on best judgment at the time this report was compiled, which was December 31, 2020. As the investing environment changes, so could opinions. These views are unique and are not necessarily shared by fellow employees or by Janus Henderson in general.

Performance Overviews

Performance overview graphs compare the performance of a hypothetical \$10,000 investment in the Portfolio with one or more widely used market indices. When comparing the performance of the Portfolio with an index, keep in mind that market indices are not available for investment and do not reflect deduction of expenses.

Average annual total returns are quoted for a Portfolio with more than one year of performance history. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Cumulative total returns are quoted for a Portfolio with less than one year of performance history. Cumulative total return is the growth or decline in value of an investment over time, independent of the period of time involved. Cumulative total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized (if applicable) and unsubsidized ratios. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The net annual fund operating expenses ratio (if applicable) includes contractual waivers of Janus Capital and reflects the Portfolio's subsidized expense ratio. Ratios may be higher or lower than those shown in the "Financial Highlights" in this report.

Schedule of Investments

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country of risk. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Barclays and/or MSCI Inc.

Tables listing details of individual forward currency contracts, futures, written options, swaptions, and swaps follow the Portfolio's Schedule of Investments (if applicable).

Statement of Assets and Liabilities

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

Janus Henderson VIT Research Portfolio

Useful Information About Your Portfolio Report (unaudited)

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on securities owned, and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid, and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's net assets for each share class (assets minus liabilities) by the number of shares outstanding.

Statement of Operations

This statement details the Portfolio's income, expenses, realized gains and losses on securities and currency transactions, and changes in unrealized appreciation or depreciation of Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from securities and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign currency-denominated assets and liabilities. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. A change in unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

Statements of Changes in Net Assets

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends and distributions to investors, and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment operations. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends and/or distributions in cash, money is taken out of the Portfolio to pay the dividend and/or distribution. If investors reinvest their dividends and/or distributions, the Portfolio's net assets will not be affected. If you compare the Portfolio's "Net Decrease from Dividends and Distributions" to "Reinvested Dividends and Distributions," you will notice that dividends and distributions have little effect on the Portfolio's net assets. This is because the majority of the Portfolio's investors reinvest their dividends and/or distributions.

The reinvestment of dividends and distributions is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

Financial Highlights

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods as well as total return, asset size, ratios, and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income/(loss) per share. Following is the per share total of net gains/(losses), realized and unrealized. Per share dividends and distributions to investors are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the total return for the period. The total return may include adjustments in accordance with

Janus Henderson VIT Research Portfolio

Useful Information About Your Portfolio Report (unaudited)

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 Research Portfolio

Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2020:

Capital Gain Distributions	\$45,543,513
Dividends Received Deduction Percentage	88%

Janus Henderson VIT Research Portfolio

Trustees and Officers (unaudited)

The following are the Trustees and officers of the Trust, together with a brief description of their principal occupations during the last five years (principal occupations for certain Trustees may include periods over five years). The Portfolio's Statement of Additional Information includes additional information about the Trustees and officers and is available, without charge, by calling 1-877-335-2687.

Each Trustee has served in that capacity since he or she was originally elected or appointed. The Trustees do not serve a specified term of office. Each Trustee will hold office until the termination of the Trust or his or her earlier death, resignation, retirement, incapacity, or removal. Under the Portfolio's Governance Procedures and Guidelines, the policy is for Trustees to retire no later than the end of the calendar year in which the Trustee turns 75. The Trustees review the Portfolio's Governance Procedures and Guidelines from time to time and may make changes they deem appropriate. The Portfolio's Nominating and Governance Committee will consider nominees for the position of Trustee recommended by shareholders. Shareholders may submit the name of a candidate for consideration by the Committee by submitting their recommendations to the Trust's Secretary. Each Trustee is currently a Trustee of one other registered investment company advised by Janus Capital: Janus Investment Fund. Collectively, these two registered investment companies consist of 56 series or funds referred to herein as the Fund Complex.

The Trust's officers are elected annually by the Trustees for a one-year term. Certain officers also serve as officers of Janus Investment Fund. Certain officers of the Portfolio may also be officers and/or directors of Janus Capital. Except as otherwise disclosed, Portfolio officers receive no compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer, as authorized by the Trustees.

Janus Henderson VIT Research 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).	56	Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (since 2016), Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 2 funds) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006).

Janus Henderson VIT Research Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Alan A. Brown 151 Detroit Street Denver, CO 80206 DOB: 1962	Trustee	1/13-Present	Principal, Curam Holdings LLC (since 2018). Formerly, Executive Vice President, Institutional Markets, of Black Creek Group (private equity real estate investment management firm) (2012-2018), Executive Vice President and Co-Head, Global Private Client Group (2007-2010), Executive Vice President, Mutual Funds (2005-2007), and Chief Marketing Officer (2001-2005) of Nuveen Investments, Inc. (asset management).	56	Advisory Board Member of AEW Core Property Trust (open-end property fund) (since 2020), and Director of WTTW (PBS affiliate) (since 2003). Formerly, Director of MotiveQuest LLC (strategic social market research company) (2003-2016), Director of Nuveen Global Investors LLC (2007-2011), Director of Communities in Schools (2004-2010), and Director of Mutual Fund Education Alliance (until 2010).

Janus Henderson VIT Research Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William D. Cvengros 151 Detroit Street Denver, CO 80206 DOB: 1948	Trustee	1/11-Present	Chief Executive Officer of SJC Capital, LLC (a personal investment company and consulting firm) (since 2002). Formerly, Chief Executive Officer and President of PIMCO Advisors Holdings L.P. (a publicly traded investment management firm) (1994-2000), and Chief Investment Officer (1987-1994) and Vice Chairman and Director (1990-1994) of Pacific Life Insurance Company (a mutual life insurance and annuity company) (1987-1994).	56	Advisory Board Member, RevOZ Fund LP and related funds (real estate investments for opportunity zones) (since 2020), and Advisory Board Member, Innovate Partners Emerging Growth and Equity Fund I (early stage venture capital fund) (since 2014). Formerly, Managing Trustee of National Retirement Partners Liquidating Trust (2013-2016), Chairman, National Retirement Partners, Inc. (formerly a network of advisors to 401(k) plans) (2005-2013), Director of Prospect Acquisition Corp. (a special purpose acquisition corporation) (2007-2009), Director of RemedyTemp, Inc. (temporary help services company) (1996-2006), and Trustee of PIMCO Funds Multi-Manager Series (1990-2000) and Pacific Life Variable Life & Annuity Trusts (1987-1994).

Janus Henderson VIT Research 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), and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (since 2016). Formerly, Senior Vice President (2011-2015), Albright Stonebridge Group LLC, and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	56	Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
William M. Fitzgerald, Sr. 151 Detroit Street Denver, CO 80206 DOB: 1964	Trustee	9/19-Present	Founder, Fitzgerald Asset Management LLC (since 2012). Formerly, Founder and Chief Investment Officer, Global Infrastructure Asset Management LLC (2008-2017), Chief Investment Officer of Nuveen Asset Management (2000-2007), and Managing Director, Nuveen Investment LLC (1988-2007).	56	Board of Directors, Municipal Securities Rulemaking Board (since 2017). Formerly, Board of Directors of Syncora Holdings Ltd, Syncora Guarantee Inc., and Syncora Capital Assurance Inc. (2009-2016), and Trustee, Destra Investment Trust (2010-2014).

Janus Henderson VIT Research Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Gary A. Poliner 151 Detroit Street Denver, CO 80206 DOB: 1953	Trustee	6/16-Present	Retired. Formerly, President (2010-2013) of Northwestern Mutual Life Insurance Company.	56	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013) and West Bend Mutual Insurance Company (property/casualty insurance) (since 2013). Formerly, Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).
Diane L. Wallace 151 Detroit Street Denver, CO 80206 DOB: 1958	Trustee	6/17-Present	Retired. Formerly, Chief Operating Officer, Senior Vice President-Operations, and Chief Financial Officer for Driehaus Capital Management, LLC (1988-2006) and Treasurer for Driehaus Mutual Funds (1996-2002).	56	Director of Family Service of Lake County (since 2019). Formerly, Independent Trustee, Henderson Global Funds (13 portfolios) (2015-2017), Independent Trustee, State Farm Associates' Funds Trust, State Farm Mutual Fund Trust, and State Farm Variable Product Trust (28 portfolios) (2013-2017).

Janus Henderson VIT Research Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Linda S. Wolf 151 Detroit Street Denver, CO 80206 DOB: 1947	Trustee	11/05-Present	Retired. Formerly, Chairman and Chief Executive Officer of Leo Burnett (Worldwide) (advertising agency) (2001-2005).	56	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), Shirley Ryan Ability Lab and Wrappports, LLC (digital communications company). Formerly, Director of Chicago Council on Global Affairs (until 2019), InnerWorkings (until 2019) and Director of Walmart (until 2017).

Janus Henderson VIT Research 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
Bruce L. Koepfgen 151 Detroit Street Denver, CO 80206 DOB: 1952	President and Chief Executive Officer	7/14-Present	Executive Vice President and Head of North America at Janus Henderson Investors (since 2017), President and Head of North America at Janus Capital Management LLC (since 2013 and 2017, respectively), President at Janus Capital Group Inc. (since 2013), President and Director at Janus International Holding LLC (since 2019 and 2011, respectively), President at Janus Holdings LLC (since 2019), President and Director at Janus Management Holdings Corporation (since 2017 and 2012, respectively), Executive Vice President and Head of North America at Janus Distributors LLC (since 2011 and 2019, respectively), Vice President and Director at Intech Investment Management LLC (since 2012), and Executive Vice President at Perkins Investment Management LLC (since 2011). Formerly, Executive Vice President at Janus Capital Group Inc., Janus International Holding LLC, and Janus Management Holdings Corporation (2011-2019), Director at Perkins Investment Management LLC (2011-2019), and Chief Financial Officer at Janus Capital Group Inc. (2011-2013).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Research Portfolio

Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Kristin Mariani 151 Detroit Street Denver, CO 80206 DOB: 1966	Vice President, Chief Compliance Officer, and Anti-Money Laundering Officer	7/20-Present	Head of Compliance, North America for Janus Henderson Investors (since September 2020), and Chief Compliance Officer for Janus Capital Management LLC (since September 2017). Formerly, Global Head of Investment Management Compliance for Janus Henderson Investors (February 2019 – August 2020), Vice President, Head of Global Distribution Compliance and Chief Compliance Officer of Janus Henderson Distributors (May 2017-September 2017), Vice President, Compliance at Janus Capital Group Inc., Janus Capital Management LLC, and Janus Distributors LLC (2009-2017).
Jesper Nergaard 151 Detroit Street Denver, CO 80206 DOB: 1962	Chief Financial Officer Vice President, Treasurer, and Principal Accounting Officer	3/05-Present 2/05-Present	Head of U.S. Fund Administration, Janus Henderson Investors and Janus Services LLC.
Abigail J. Murray 151 Detroit Street Denver, CO 80206 DOB: 1975	Vice President, Chief Legal Officer, and Secretary	12/20-Present	Managing Counsel (2020-present). Formerly, Senior Counsel for Invesco Ltd. (2017-2020), and Vice President and Senior Counsel, ALPS Fund Services, Inc. and Assistant General Counsel, ALPS Advisors, Inc. (2015-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Research Portfolio

Notes

Janus Henderson VIT Research Portfolio
Notes

This report is submitted for the general information of shareholders of the Portfolio. It is not an offer or solicitation for the Portfolio and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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Janus Henderson Distributors

Janus Henderson VIT Forty Portfolio

Janus Aspen Series

HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings

Janus Henderson
— INVESTORS —

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Janus Henderson VIT Forty Portfolio

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Janus Henderson VIT Forty Portfolio (unaudited)

PORTFOLIO SNAPSHOT

We believe that constructing a concentrated portfolio of quality growth companies will allow us to outperform our benchmark over time. We define quality as companies that enjoy sustainable “moats” around their businesses, potentially allowing them to grow faster, with higher returns, than their competitors. We believe the market often underestimates these companies’ sustainable competitive advantage periods.



Doug Rao
co-portfolio manager

Nick Schommer
co-portfolio manager

PERFORMANCE OVERVIEW

For the 12-month period ended December 31, 2020, Janus Henderson VIT Forty Portfolio's Institutional Shares and Service Shares returned 39.40% and 39.03%, respectively, versus a return of 38.49% for the Portfolio's primary benchmark, the Russell 1000[®] Growth Index. The Portfolio's secondary benchmark, the S&P 500[®] Index, returned 18.40% for the period.

INVESTMENT ENVIRONMENT

The Russell 1000 Growth Index posted a strong gain for the year after a sharp downturn in the first quarter, reaching record levels on the heels of highly effective coronavirus vaccine trials, subsequent regulatory approvals and the rollout of initial vaccinations. The beginning of inoculations fueled optimism for a return to normalcy and a full reopening of the economy as the population gets closer to herd immunity. Significant sources of uncertainty waned later in the period as the results of the U.S. presidential election were finalized and markets welcomed the passing of a second round of fiscal stimulus by Congress. However, sustained coronavirus cases and ongoing social restrictions weighed on sentiment throughout the year.

PERFORMANCE DISCUSSION

The Portfolio outperformed both its primary benchmark, the Russell 1000 Growth Index, and its secondary benchmark, the S&P 500 Index, during the year ended December 31, 2020. Stock selection in the Portfolio was the main contributor to performance relative to the primary benchmark during the period. As part of our investment strategy, we seek companies that have built clear, sustainable, competitive moats around their businesses, which gives them the potential to grow market share within their respective industries over time. Important competitive advantages could include a strong brand, network effects from a product or service that would be hard for a competitor to replicate, a lower cost structure than competitors in the industry, a distribution

advantage or patent protection over valuable intellectual property. We think emphasizing these sustainable competitive advantages can be a meaningful driver of outperformance over longer time horizons because the market often underestimates the duration of growth for these companies and the long-term potential return to shareholders.

Social media operator Snap, Inc. was among the top relative contributors during the period. The company reported results that beat estimates, driven by faster average revenue per user growth in North America and Europe and new user growth in the rest of the world. As Snap has introduced new features and the company has matured, we have begun to see its business model evolve into a core digital advertising platform with the potential for significant growth.

Align Technology, a medical device company that designs, manufactures and markets dentistry products, was also among the top contributors. During the period, the company reported results that surpassed estimates, and its strong balance sheet has enabled it to invest significantly. As COVID-19 accelerated the digitization of dental procedures, Align had the ability and the willingness to implement market development initiatives and disproportionately benefit while competitors were struggling. We continue to believe that Align is competitively positioned to capitalize on the long-term trend away from traditional bracket braces to clear aligners.

Avalara was another top contributor for the period. The Software as a Service company is a provider of tax calculation solutions for medium-size e-commerce businesses. Companies that sell goods online are now required to collect the appropriate sales tax for each state they sell into, even if they do not have a physical presence in that state. This requirement, combined with the complexity of the U.S. tax code, makes Avalara's software an essential service for many online businesses. The

Janus Henderson VIT Forty Portfolio (unaudited)

stock was up after reporting strong earnings and a growing customer base through a challenging economic environment.

Boston Scientific, a cardiovascular-focused medical device company, was among the top detractors from benchmark-relative performance. During the period, the company's shares suffered as it voluntarily recalled its Lotus Edge transcatheter aortic valve replacement (TAVR) product. We remain constructive on the stock despite this setback. The TAVR market is currently a small portion of the company's revenue and profitability and, in our view, the company is attractively valued as one of the fastest-growing companies within the medical technology industry.

Another top detractor for the period was defense contractor L3Harris Technologies. Defense stocks in general held up better during the initial COVID-related market sell-off but have struggled more recently. Huge levels of fiscal stimulus will likely lead to strained government budgets for the foreseeable future. As a result, fears that defense spending will be negatively impacted have weighed on the stock.

American Tower REIT, which owns and operates wireless and broadcast communications towers, was another detractor. Investors priced in slightly lower cell tower growth after the company renegotiated its contracts with the combined T-Mobile/Sprint. The stock also lagged later in the period as investors sought companies with strong secular growth or cyclical recovery prospects. Long term, we believe that the company can benefit from increasing wireless data consumption and the transition to 5G networks as well as growth outside the U.S.

OUTLOOK

We expect strong economic growth to reemerge in 2021 in the wake of headwinds from the pandemic in 2020 and the U.S.-China trade war in 2019. Market leadership in 2020 was dominated by stocks that benefited as a direct result of the COVID environment, driven partially by retail investor participation spurred by zero-cost trading and an increase in hours spent at home for individual investors. While leadership has thus far been narrow – limited mostly to the digital economy – we foresee a broadening recovery as vaccines are widely implemented and consumers are able to reengage with the physical economy.

Healthy consumer balance sheets, bolstered by a robust housing market and swift market recovery, can kindle

pent-up demand in hard-hit industries like travel, entertainment and dining. Moving forward from the current trough, we see a long period of growth for select companies in industries like leisure travel. For instance, we see opportunity in some companies with variable cost structures that have been able to cut expenses to adjust to a drop in demand. While they have lost cash flow in the near term, they have not permanently impaired capital by diluting shareholders with additional equity. These companies have been willing to invest in their business during the downturn, and we believe they can continue to grow as the global economy recovers.

In our view, equities remain attractive as unparalleled levels of fiscal and monetary stimulus and a historically low interest rate environment have continued to support company valuations. As the economy normalizes, we see the potential for companies with more cyclical characteristics to rebound; however, we believe innovation will continue to be the primary driver of durable growth moving forward. Thus, we believe that it will be essential to remain focused on identifying the most innovative companies in the world.

Thank you for your investment in Janus Henderson VIT Forty Portfolio.

Janus Henderson VIT Forty Portfolio (unaudited)

Portfolio At A Glance

December 31, 2020

5 Top Contributors - Holdings

	Average Weight	Relative Contribution		Average Weight	Relative Contribution
Snap Inc	1.22%	2.03%	Tesla Inc	0.10%	-2.89%
Align Technology Inc	0.59%	0.95%	Boston Scientific Corp	3.06%	-2.12%
Avalara Inc	0.93%	0.79%	Apple Inc	5.31%	-1.57%
Netflix Inc	2.61%	0.64%	L3Harris Technologies Inc	2.73%	-1.14%
Amazon.com Inc	8.10%	0.56%	American Tower Corp	2.69%	-0.80%

5 Top Detractors - Holdings

5 Top Contributors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Communication Services	2.04%	15.45%	11.50%
Consumer Staples	0.70%	1.78%	4.61%
Industrials	0.51%	5.70%	6.39%
Health Care	0.23%	13.20%	14.28%
Energy	0.15%	0.00%	0.13%

5 Top Detractors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell 1000 Growth Index Average Weight
Information Technology	-0.72%	37.69%	42.12%
Materials	-0.58%	2.71%	1.04%
Financials	-0.31%	3.08%	2.46%
Real Estate	-0.30%	2.69%	2.10%
Other**	-0.28%	1.91%	0.00%

Relative contribution reflects how the portfolio's holdings impacted return relative to the benchmark. Cash and securities not held in the portfolio are not shown. For equity portfolios, relative contribution compares the performance of a security in the portfolio to the benchmark's total return, factoring in the difference in weight of that security in the benchmark. Returns are calculated using daily returns and previous day ending weights rolled up by ticker, excluding fixed income securities, gross of advisory fees, may exclude certain derivatives and will differ from actual performance. Performance attribution reflects returns gross of advisory fees and may differ from actual returns as they are based on end of day holdings.

Attribution is calculated by geometrically linking daily returns for the portfolio and index.

* Based on sector classification according to the Global Industry Classification Standard ("GICS") codes, which are the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.

** Not a GICS classified sector.

Janus Henderson VIT Forty Portfolio (unaudited)

Portfolio At A Glance

December 31, 2020

5 Largest Equity Holdings - (% of Net Assets)

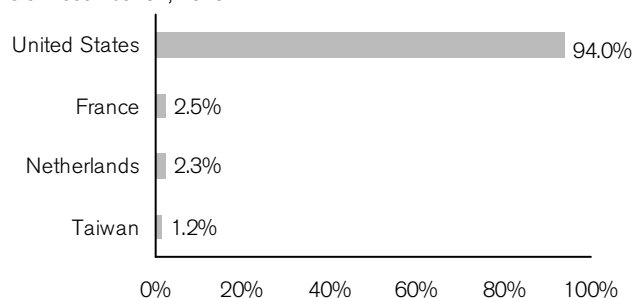
Amazon.com Inc	
Internet & Direct Marketing Retail	8.5%
Microsoft Corp	
Software	7.5%
Mastercard Inc	
Information Technology Services	6.2%
Apple Inc	
Technology Hardware, Storage & Peripherals	5.3%
Facebook Inc	
Interactive Media & Services	4.4%
	31.9%

Asset Allocation - (% of Net Assets)

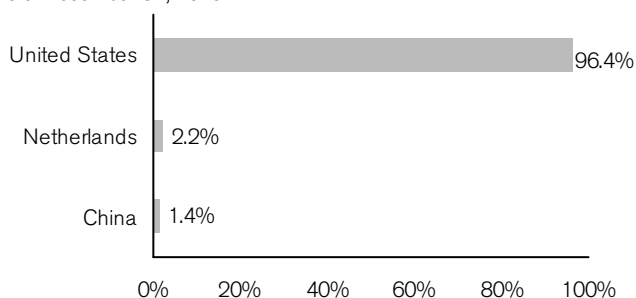
Common Stocks	97.6%
Investment Companies	2.1%
Other	0.3%
	100.0%

Top Country Allocations - Long Positions - (% of Investment Securities)

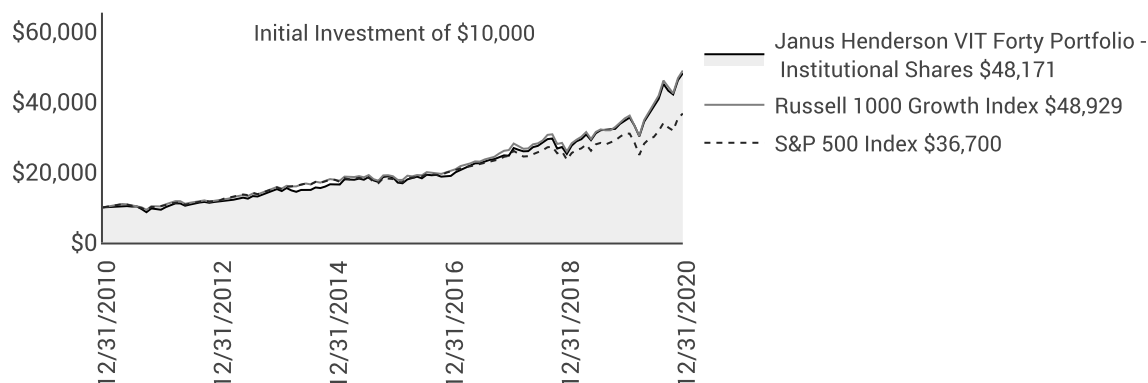
As of December 31, 2020



As of December 31, 2019



Janus Henderson VIT Forty Portfolio (unaudited) Performance



Average Annual Total Return - for the periods ended December 31, 2020					Expense Ratios
	One Year	Five Year	Ten Year	Since Inception*	Total Annual Fund Operating Expenses†
Institutional Shares	39.40%	21.03%	17.02%	13.06%	0.77%
Service Shares	39.03%	20.73%	16.73%	12.75%	1.02%
Russell 1000 Growth Index	38.49%	21.00%	17.21%	9.50%	
S&P 500 Index	18.40%	15.22%	13.88%	8.79%	
Morningstar Quartile - Institutional Shares	2nd	1st	1st	1st	
Morningstar Ranking - based on total returns for Large Growth Funds	418/1,319	216/1,211	213/1,058	12/550	

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit janushenderson.com/VITperformance.

This Portfolio has a performance-based management fee that may adjust up or down based on the Portfolio's performance.

Performance may be affected by risks that include those associated with foreign and emerging markets, fixed income securities, high-yield and high-risk securities, undervalued, overlooked and smaller capitalization companies, real estate related securities including Real Estate Investment Trusts (REITs), non-diversification, portfolio turnover, derivatives, short sales, initial public offerings (IPOs) and potential conflicts of interest. Each product has different risks. Please see the prospectus for more information about risks, holdings and other details.

High absolute short-term performance is not typical and may not be achieved in the future. Such results should not be the sole basis for evaluating material facts in making an investment decision.

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

Returns include reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Performance for Service Shares prior to December 31, 1999 reflects the performance of Institutional Shares, adjusted to reflect the expenses of Service Shares.

Ranking is for the share class shown only; other classes may have different performance characteristics.

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There is no assurance that the investment process will consistently lead to successful investing.

See important disclosures on the next page.

Janus Henderson VIT Forty Portfolio (unaudited) Performance

See Notes to Schedule of Investments and Other Information for index definitions.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

See "Useful Information About Your Portfolio Report."

*The Portfolio's inception date – May 1, 1997

‡ As stated in the prospectus. See Financial Highlights for actual expense ratios during the reporting period.

Janus Henderson VIT Forty Portfolio (unaudited)

Expense Examples

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees; 12b-1 distribution and shareholder servicing fees (applicable to Service Shares only); transfer agent fees and expenses payable pursuant to the Transfer Agency Agreement; and other Portfolio expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The example is based upon an investment of \$1,000 invested at the beginning of the period and held for the six-months indicated, unless noted otherwise in the table and footnotes below.

Actual Expenses

The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the appropriate column for your share class under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based upon the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Additionally, for an analysis of the fees associated with an investment in either share class or other similar funds, please visit www.finra.org/fundalyzer.

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)			Net Annualized Expense Ratio
	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	
Institutional							
Shares	\$1,000.00	\$1,257.70	\$4.26	\$1,000.00	\$1,021.37	\$3.81	0.75%
Service Shares	\$1,000.00	\$1,256.20	\$5.67	\$1,000.00	\$1,020.11	\$5.08	1.00%

† Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period). Expenses in the examples include the effect of applicable fee waivers and/or expense reimbursements, if any. Had such waivers and/or reimbursements not been in effect, your expenses would have been higher. Please refer to the Notes to Financial Statements or the Portfolio's prospectuses for more information regarding waivers and/or reimbursements.

Janus Henderson VIT Forty Portfolio

Schedule of Investments

December 31, 2020

	Shares	Value
Common Stocks— 97.6%		
Aerospace & Defense – 2.8%		
L3Harris Technologies Inc	163,089	\$30,827,083
Biotechnology – 1.4%		
Vertex Pharmaceuticals Inc*	64,670	15,284,108
Capital Markets – 2.6%		
Blackstone Group Inc	445,093	28,846,477
Chemicals – 1.9%		
Sherwin-Williams Co	28,141	20,681,102
Diversified Financial Services – 0.3%		
Altimeter Growth Corp*	284,205	3,694,665
Entertainment – 3.6%		
Netflix Inc*	46,933	25,378,081
Walt Disney Co*	76,012	13,771,854
		39,149,935
Equity Real Estate Investment Trusts (REITs) – 2.0%		
American Tower Corp	97,278	21,835,020
Health Care Equipment & Supplies – 8.1%		
Align Technology Inc*	47,079	25,158,076
Boston Scientific Corp*	696,903	25,053,663
DanaHER Corp	123,360	27,403,190
Edwards Lifesciences Corp*	125,970	11,492,243
		89,107,172
Hotels, Restaurants & Leisure – 0.6%		
Caesars Entertainment Inc*	85,425	6,344,515
Household Products – 2.2%		
Procter & Gamble Co	176,038	24,493,927
Information Technology Services – 9.1%		
Mastercard Inc	191,073	68,201,597
PayPal Holdings Inc*	84,660	19,827,372
Twilio Inc*	34,852	11,797,402
		99,826,371
Interactive Media & Services – 11.3%		
Alphabet Inc - Class C*	16,836	29,494,652
Facebook Inc*	176,648	48,253,168
Match Group Inc*	87,336	13,204,330
Snap Inc*	652,308	32,661,062
		123,613,212
Internet & Direct Marketing Retail – 11.9%		
Amazon.com Inc*	28,685	93,425,037
Booking Holdings Inc*	15,296	34,068,322
DoorDash Inc - Class A*	17,147	2,447,734
		129,941,093
Life Sciences Tools & Services – 1.5%		
Illumina Inc*	45,529	16,845,730
Pharmaceuticals – 1.7%		
Elanco Animal Health Inc*	587,960	18,032,733
Professional Services – 2.0%		
CoStar Group Inc*	23,541	21,758,475
Semiconductor & Semiconductor Equipment – 8.3%		
ASML Holding NV	50,830	24,790,808
NVIDIA Corp	43,296	22,609,171
Taiwan Semiconductor Manufacturing Co Ltd (ADR)	123,850	13,504,604
Texas Instruments Inc	184,213	30,234,880
		91,139,463
Software – 13.9%		
Adobe Inc*	61,304	30,659,356
Avalara Inc*	26,897	4,435,046
Microsoft Corp	369,831	82,257,811
salesforce.com Inc*	158,009	35,161,743
		152,513,956

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio

Schedule of Investments

December 31, 2020

	<i>Shares</i>	<i>Value</i>
Common Stocks– (continued)		
Technology Hardware, Storage & Peripherals – 5.3%		
Apple Inc	437,981	\$58,115,699
Textiles, Apparel & Luxury Goods – 4.4%		
LVMH Moet Hennessy Louis Vuitton SE	44,543	27,828,264
NIKE Inc	147,294	20,837,682
		48,665,946
Wireless Telecommunication Services – 2.7%		
T-Mobile US Inc*	219,823	29,643,132
Total Common Stocks (cost \$536,693,675)		1,070,359,814
Investment Companies– 2.1%		
Money Markets – 2.1%		
Janus Henderson Cash Liquidity Fund LLC, 0.1108% ^{0.1%} (cost \$22,532,880)	22,530,627	22,532,880
Total Investments (total cost \$559,226,555) – 99.7%		1,092,892,694
Cash, Receivables and Other Assets, net of Liabilities – 0.3%		3,716,393
Net Assets – 100%		\$1,096,609,087

Summary of Investments by Country - (Long Positions) (unaudited)

<i>Country</i>	<i>Value</i>	<i>% of Investment Securities</i>
United States	\$1,026,769,018	94.0 %
France	27,828,264	2.5
Netherlands	24,790,808	2.3
Taiwan	13,504,604	1.2
Total	\$1,092,892,694	100.0 %

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio

Schedule of Investments

December 31, 2020

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	Realized Gain/(Loss)	Change in Unrealized Appreciation/ Depreciation	Value at 12/31/20
Investment Companies - 2.1%				
Money Markets - 2.1%				
Janus Henderson [∞] Cash Liquidity Fund LLC, 0.1108%	\$ 104,495	\$ 5,437	\$ 223	\$ 22,532,880
Investments Purchased with Cash Collateral from Securities Lending - N/A				
Investment Companies - N/A				
Janus Henderson [∞] Cash Collateral Fund LLC, 0.0264%	283,080 ^A	-	-	-
Total Affiliated Investments - 2.1%	\$ 387,575	\$ 5,437	\$ 223	\$ 22,532,880

	Value at 12/31/19	Purchases	Sales Proceeds	Value at 12/31/20
Investment Companies - 2.1%				
Money Markets - 2.1%				
Janus Henderson [∞] Cash Liquidity Fund LLC, 0.1108%	17,377,343	270,952,708	(265,802,831)	22,532,880
Investments Purchased with Cash Collateral from Securities Lending - N/A				
Investment Companies - N/A				
Janus Henderson [∞] Cash Collateral Fund LLC, 0.0264%	-	31,371,081	(31,371,081)	-

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio

Notes to Schedule of Investments and Other Information

Russell 1000 [®] Growth Index	Russell 1000 [®] Growth Index reflects the performance of U.S. large-cap equities with higher price-to-book ratios and higher forecasted growth values.
S&P 500 [®] Index	S&P 500 [®] Index reflects U.S. large-cap equity performance and represents broad U.S. equity market performance.
ADR	American Depositary Receipt
LLC	Limited Liability Company

* Non-income producing security.

°° Rate shown is the 7-day yield as of December 31, 2020.

£ The Portfolio may invest in certain securities that are considered affiliated companies. As defined by the Investment Company Act of 1940, as amended, an affiliated company is one in which the Portfolio owns 5% or more of the outstanding voting securities, or a company which is under common ownership or control.

Δ Net of income paid to the securities lending agent and rebates paid to the borrowing counterparties.

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of December 31, 2020. See Notes to Financial Statements for more information.

Valuation Inputs Summary

	<i>Level 1 - Quoted Prices</i>	<i>Level 2 - Other Significant Observable Inputs</i>	<i>Level 3 - Significant Unobservable Inputs</i>
Assets			
Investments In Securities:			
<i>Common Stocks</i>			
Textiles, Apparel & Luxury Goods	\$ 20,837,682	\$ 27,828,264	\$ -
All Other	1,021,693,868	-	-
<i>Investment Companies</i>	-	22,532,880	-
Total Assets	\$ 1,042,531,550	\$ 50,361,144	\$ -

Janus Henderson VIT Forty Portfolio

Statement of Assets and Liabilities

December 31, 2020

Assets:		
Unaffiliated investments, at value ⁽¹⁾	\$	1,070,359,814
Affiliated investments, at value ⁽²⁾		22,532,880
Non-interested Trustees' deferred compensation		25,279
Receivables:		
Investments sold		8,494,752
Portfolio shares sold		426,404
Dividends		183,179
Foreign tax reclaims		7,160
Dividends from affiliates		2,041
Other assets		9,463
Total Assets		1,102,040,972
Liabilities:		
Payables:		
Investments purchased		2,233,048
Portfolio shares repurchased		2,121,255
Advisory fees		708,874
12b-1 Distribution and shareholder servicing fees		144,639
Transfer agent fees and expenses		54,246
Professional fees		36,783
Non-interested Trustees' deferred compensation fees		25,279
Affiliated portfolio administration fees payable		2,499
Non-interested Trustees' fees and expenses		1,442
Custodian fees		1,228
Accrued expenses and other payables		102,592
Total Liabilities		5,431,885
Net Assets	\$	1,096,609,087
Net Assets Consist of:		
Capital (par value and paid-in surplus)	\$	421,985,829
Total distributable earnings (loss)		674,623,258
Total Net Assets	\$	1,096,609,087
Net Assets - Institutional Shares	\$	462,216,274
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		8,109,308
Net Asset Value Per Share	\$	57.00
Net Assets - Service Shares	\$	634,392,813
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		11,978,720
Net Asset Value Per Share	\$	52.96

(1) Includes cost of \$536,693,675.

(2) Includes cost of \$22,532,880.

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio

Statement of Operations

For the year ended December 31, 2020

Investment Income:		
Dividends	\$	6,626,305
Affiliated securities lending income, net		283,080
Dividends from affiliates		104,495
Unaffiliated securities lending income, net		3,166
Other income		113
Foreign tax withheld		(80,047)
Total Investment Income		6,937,112
Expenses:		
Advisory fees		6,377,205
12b-1 Distribution and shareholder servicing fees:		
Service Shares		1,381,019
Transfer agent administrative fees and expenses:		
Institutional Shares		196,107
Service Shares		276,204
Other transfer agent fees and expenses:		
Institutional Shares		18,719
Service Shares		11,879
Professional fees		44,872
Shareholder reports expense		41,138
Registration fees		25,729
Affiliated portfolio administration fees		23,615
Non-interested Trustees' fees and expenses		18,071
Custodian fees		9,440
Other expenses		90,493
Total Expenses		8,514,491
Net Investment Income/(Loss)		(1,577,379)
Net Realized Gain/(Loss) on Investments:		
Investments and foreign currency transactions		142,550,247
Investments in affiliates		5,437
Total Net Realized Gain/(Loss) on Investments		142,555,684
Change in Unrealized Net Appreciation/Depreciation:		
Investments, foreign currency translations and non-interested Trustees' deferred compensation		177,594,218
Investments in affiliates		223
Total Change in Unrealized Net Appreciation/Depreciation		177,594,441
Net Increase/(Decrease) in Net Assets Resulting from Operations	\$	318,572,746

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio

Statements of Changes in Net Assets

	Year ended December 31, 2020		Year ended December 31, 2019	
Operations:				
Net investment income/(loss)	\$	(1,577,379)	\$	678,107
Net realized gain/(loss) on investments		142,555,684		71,678,445
Change in unrealized net appreciation/depreciation		177,594,441		183,133,171
Net Increase/(Decrease) in Net Assets Resulting from Operations		318,572,746		255,489,723
Dividends and Distributions to Shareholders:				
Institutional Shares		(28,629,140)		(27,749,524)
Service Shares		(43,209,494)		(42,198,627)
Net Decrease from Dividends and Distributions to Shareholders		(71,838,634)		(69,948,151)
Capital Share Transactions:				
Institutional Shares		(4,352,608)		(6,219,350)
Service Shares		(32,885,634)		(11,662,110)
Net Increase/(Decrease) from Capital Share Transactions		(37,238,242)		(17,881,460)
Net Increase/(Decrease) in Net Assets		209,495,870		167,660,112
Net Assets:				
Beginning of period		887,113,217		719,453,105
End of period	\$	1,096,609,087	\$	887,113,217

See Notes to Financial Statements.

Janus Henderson VIT Forty Portfolio

Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$44.38	\$35.20	\$39.76	\$32.19	\$36.37
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	(0.01)	0.09	0.07	0.02	0.05
Net realized and unrealized gain/(loss)	16.29	12.55	1.31	9.58	0.58
Total from Investment Operations	16.28	12.64	1.38	9.60	0.63
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.14)	(0.06)	—	—	—
Distributions (from capital gains)	(3.52)	(3.40)	(5.94)	(2.03)	(4.81)
Total Dividends and Distributions	(3.66)	(3.46)	(5.94)	(2.03)	(4.81)
Net Asset Value, End of Period	\$57.00	\$44.38	\$35.20	\$39.76	\$32.19
Total Return*	39.40%	37.16%	1.98%	30.31%	2.20%
Net Assets, End of Period (in thousands)	\$462,216	\$362,001	\$292,132	\$309,258	\$257,009
Average Net Assets for the Period (in thousands)	\$389,419	\$337,416	\$327,962	\$297,125	\$273,374
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.76%	0.77%	0.71%	0.82%	0.72%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.76%	0.77%	0.71%	0.82%	0.72%
Ratio of Net Investment Income/(Loss)	(0.02)%	0.23%	0.17%	0.05%	0.15%
Portfolio Turnover Rate	41%	35%	41%	39%	53%

Service Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$41.53	\$33.15	\$37.84	\$30.79	\$35.08
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	(0.12)	(0.01)	(0.03)	(0.07)	(0.03)
Net realized and unrealized gain/(loss)	15.15	11.80	1.28	9.15	0.55
Total from Investment Operations	15.03	11.79	1.25	9.08	0.52
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.08)	(0.01)	—	—	—
Distributions (from capital gains)	(3.52)	(3.40)	(5.94)	(2.03)	(4.81)
Total Dividends and Distributions	(3.60)	(3.41)	(5.94)	(2.03)	(4.81)
Net Asset Value, End of Period	\$52.96	\$41.53	\$33.15	\$37.84	\$30.79
Total Return*	39.03%	36.85%	1.72%	29.99%	1.94%
Net Assets, End of Period (in thousands)	\$634,393	\$525,112	\$427,321	\$466,969	\$430,510
Average Net Assets for the Period (in thousands)	\$548,645	\$495,465	\$487,559	\$457,168	\$464,943
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	1.01%	1.02%	0.96%	1.06%	0.97%
Ratio of Net Expenses (After Waivers and Expense Offsets)	1.01%	1.02%	0.96%	1.06%	0.97%
Ratio of Net Investment Income/(Loss)	(0.27)%	(0.02)%	(0.08)%	(0.19)%	(0.09)%
Portfolio Turnover Rate	41%	35%	41%	39%	53%

* Total return includes adjustments in accordance with generally accepted accounting principles required at the year or period end and are not annualized for periods of less than one full year. Total return does not include fees, charges, or expenses imposed by the variable annuity and life insurance contracts for which Janus Aspen Series serves as an underlying investment vehicle.

** Annualized for periods of less than one full year.

(1) Per share amounts are calculated based on average shares outstanding during the year or period.

See Notes to Financial Statements.

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Notes to Financial Statements

1. Organization and Significant Accounting Policies

Janus Henderson VIT Forty Portfolio (the "Portfolio") is a series of Janus Aspen Series (the "Trust"), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and therefore has applied the specialized accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946. The Trust offers 11 portfolios, each of which offers multiple share classes, with differing investment objectives and policies. The Portfolio seeks long-term growth of capital. The Portfolio is classified as nondiversified, as defined in the 1940 Act.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Each class represents an interest in the same portfolio of investments. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

Shareholders, including other portfolios, participating insurance companies, as well as accounts, may from time to time own (beneficially or of record) a significant percentage of the Portfolio's Shares and can be considered to "control" the Portfolio when that ownership exceeds 25% of the Portfolio's assets (and which may differ from control as determined in accordance with United States of America generally accepted accounting 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

Janus Henderson VIT Forty Portfolio

Notes to Financial Statements

market participants would use in pricing an asset or liability and establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. These inputs are summarized into three broad levels:

Level 1 – Unadjusted quoted prices in active markets the Portfolio has the ability to access for identical assets or liabilities.

Level 2 – Observable inputs other than unadjusted quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Assets or liabilities categorized as Level 2 in the hierarchy generally include: debt securities fair valued in accordance with the evaluated bid or ask prices supplied by a pricing service; securities traded on OTC markets and listed securities for which no sales are reported that are fair valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees; certain short-term debt securities with maturities of 60 days or less that are fair valued at amortized cost; and equity securities of foreign issuers whose fair value is determined by using systematic fair valuation models provided by independent third parties in order to adjust for stale pricing which may occur between the close of certain foreign exchanges and the close of the NYSE. Other securities that may be categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, swaps, investments in unregistered investment companies, options, and forward contracts.

Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Portfolio's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for fair valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2020 to fair value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" in the Notes to Schedule of Investments and Other Information.

Investment Transactions and Investment Income

Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Portfolio is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Interest income is recorded daily on the accrual basis and includes amortization of premiums and accretion of discounts. The Portfolio classifies gains and losses on prepayments received as an adjustment to interest income. Debt securities may be placed in non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivables when collection of all or a portion of interest has become doubtful. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes.

Expenses

The Portfolio bears expenses incurred specifically on its behalf. Each class of shares bears a portion of general expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

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Indemnifications

In the normal course of business, the Portfolio may enter into contracts that contain provisions for indemnification of other parties against certain potential liabilities. The Portfolio's maximum exposure under these arrangements is unknown, and would involve future claims that may be made against the Portfolio that have not yet occurred. Currently, the risk of material loss from such claims is considered remote.

Foreign Currency Translations

The Portfolio does not isolate that portion of the results of operations resulting from the effect of changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held at the date of the financial statements. Net unrealized appreciation or depreciation of investments and foreign currency translations arise from changes in the value of assets and liabilities, including investments in securities held at the date of the financial statements, resulting from changes in the exchange rates and changes in market prices of securities held.

Currency gains and losses are also calculated on payables and receivables that are denominated in foreign currencies. The payables and receivables are generally related to foreign security transactions and income translations.

Foreign currency-denominated assets and forward currency contracts may involve more risks than domestic transactions, including currency risk, counterparty risk, political and economic risk, regulatory risk and equity risk. Risks may arise from unanticipated movements in the value of foreign currencies relative to the U.S. dollar.

Dividends and Distributions

The Portfolio may make semiannual distributions of substantially all of its investment income and an annual distribution of its net realized capital gains (if any).

The Portfolio may make certain investments in real estate investment trusts ("REITs") which pay dividends to their shareholders based upon funds available from operations. It is quite common for these dividends to exceed the REITs' taxable earnings and profits, resulting in the excess portion of such dividends being designated as a return of capital. If the Portfolio distributes such amounts, such distributions could constitute a return of capital to shareholders for federal income tax purposes.

Federal Income Taxes

The Portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income in accordance with the requirements of Subchapter M of the Internal Revenue Code. Management has analyzed the Portfolio's tax positions taken for all open federal income tax years, generally a three-year period, and has concluded that no provision for federal income tax is required in the Portfolio's financial statements. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

2. Other Investments and Strategies

Additional Investment Risk

In the aftermath of the 2007-2008 financial crisis, the financial sector experienced reduced liquidity in credit and other fixed-income markets, and an unusually high degree of volatility, both domestically and internationally. In response to the crisis, the United States and certain foreign governments, along with the U.S. Federal Reserve and certain foreign central banks, took a number of unprecedented steps designed to support the financial markets. For example, the enactment of the Dodd-Frank Act in 2010 provided for widespread regulation of financial institutions, consumer financial products and services, broker-dealers, over-the-counter derivatives, investment advisers, credit rating agencies, and mortgage lending, which expanded federal oversight in the financial sector, including the investment management industry. More recently, in response to the COVID-19 pandemic, the U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets, including reducing interest rates to record-low levels. Extremely low or negative interest rates may become more prevalent or may not work as intended. As there is little precedent for this situation, the impact on various markets that interest rate or other significant policy changes may have is unknown. The withdrawal of this support, a failure of measures put in place in response to such economic uncertainty, or investor perception that such efforts were not sufficient could each negatively affect financial markets generally, and the value and liquidity of specific securities. In addition, policy and legislative changes in the United States and in other countries continue to impact many aspects of financial regulation.

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Widespread disease, including pandemics and epidemics, and natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Fund's investments. Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries, including the United States. These disruptions could prevent a Fund from executing advantageous investment decisions in a timely manner and negatively impact a Fund's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Fund. In addition, these disruptions could also impair the information technology and other operational systems upon which the Fund's service providers, including Janus Capital Management LLC ("Janus Capital") or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Fund's service providers to perform essential tasks on behalf of the Fund. Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance and reinsurance companies that insure or reinsure against the impact of natural disasters.

A number of countries in the European Union (the "EU") have experienced, and may continue to experience, severe economic and financial difficulties. In particular, many EU nations are susceptible to economic risks associated with high levels of debt. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts. Many other issuers have faced difficulties obtaining credit or refinancing existing obligations. Financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit. As a result, financial markets in the EU have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen, or spread further within the EU. Responses to these financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest, and may limit future growth and economic recovery or have other unintended consequences. The risk of investing in securities in the European markets may also be heightened due to the referendum in which the United Kingdom voted to exit the EU, commonly known as "Brexit," which immediately led to significant market volatility around the world, as well as political, economic and legal uncertainty. The United Kingdom formally left the EU on January 31, 2020 and entered into an eleven-month transition period, which expired on December 31, 2020. The negative impact on not only the United Kingdom and European economies could be significant, potentially resulting in increased volatility and illiquidity and lower economic growth for companies that rely significantly on the United Kingdom and/or Europe for their business activities and revenues. Any further exits from the EU, or an increase in the belief that such exits are likely or possible, would likely cause additional market disruption globally and introduce new legal and regulatory uncertainties.

Counterparties

Portfolio transactions involving a counterparty are subject to the risk that the counterparty or a third party will not fulfill its obligation to the Portfolio ("counterparty risk"). Counterparty risk may arise because of the counterparty's financial condition (i.e., financial difficulties, bankruptcy, or insolvency), market activities and developments, or other reasons, whether foreseen or not. A counterparty's inability to fulfill its obligation may result in significant financial loss to the Portfolio. The Portfolio may be unable to recover its investment from the counterparty or may obtain a limited recovery, and/or recovery may be delayed. The extent of the Portfolio's exposure to counterparty risk with respect to financial assets and liabilities approximates its carrying value.

The Portfolio may be exposed to counterparty risk through participation in various programs, including, but not limited to, lending its securities to third parties, cash sweep arrangements whereby the Portfolio's cash balance is invested in one or more types of cash management vehicles, as well as investments in, but not limited to, repurchase agreements, debt securities, and derivatives, including various types of swaps, futures and options. The Portfolio intends to enter into financial transactions with counterparties that Janus Capital believes to be creditworthy at the time of the transaction. There is always the risk that Janus Capital's analysis of a counterparty's creditworthiness is incorrect or may change due to market conditions. To the extent that the Portfolio focuses its transactions with a limited number of counterparties, it will have greater exposure to the risks associated with one or more counterparties.

Real Estate Investing

The Portfolio may invest in equity and debt securities of real estate-related companies. Such companies may include those in the real estate industry or real estate-related industries. These securities may include common stocks, corporate bonds, preferred stocks, and other equity securities, including, but not limited to, mortgage-backed securities,

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real estate-backed securities, securities of REITs and similar REIT-like entities. A REIT is a trust that invests in real estate-related projects, such as properties, mortgage loans, and construction loans. REITs are generally categorized as equity, mortgage, or hybrid REITs. A REIT may be listed on an exchange or traded OTC.

Securities Lending

Under procedures adopted by the Trustees, the Portfolio may seek to earn additional income by lending securities to certain qualified broker-dealers and institutions. JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. The Portfolio may lend portfolio securities in an amount equal to up to 1/3 of its total assets as determined at the time of the loan origination. There is the risk of delay in recovering a loaned security or the risk of loss in collateral rights if the borrower fails financially. In addition, Janus Capital makes efforts to balance the benefits and risks from granting such loans. All loans will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the Securities and Exchange Commission (the "SEC"). If the Portfolio is unable to recover a security on loan, the Portfolio may use the collateral to purchase replacement securities in the market. There is a risk that the value of the collateral could decrease below the cost of the replacement security by the time the replacement investment is made, resulting in a loss to the Portfolio. In certain circumstances individual loan transactions could yield negative returns.

Upon receipt of cash collateral, Janus Capital may invest it in affiliated or non-affiliated cash management vehicles, whether registered or unregistered entities, as permitted by the 1940 Act and rules promulgated thereunder. Janus Capital currently intends to primarily invest the cash collateral in a cash management vehicle for which Janus Capital serves as investment adviser, Janus Henderson Cash Collateral Fund LLC, or in time deposits. An investment in Janus Henderson Cash Collateral Fund LLC is generally subject to the same risks that shareholders experience when investing in similarly structured vehicles, such as the potential for significant fluctuations in assets as a result of the purchase and redemption activity of the securities lending program, a decline in the value of the collateral, and possible liquidity issues. Such risks may delay the return of the cash collateral and cause the Portfolio to violate its agreement to return the cash collateral to a borrower in a timely manner. As adviser to the Portfolio and Janus Henderson Cash Collateral Fund LLC, Janus Capital has an inherent conflict of interest as a result of its fiduciary duties to both the Portfolio and Janus Henderson Cash Collateral Fund LLC. Additionally, Janus Capital receives an investment advisory fee of 0.05% for managing Janus Henderson Cash Collateral Fund LLC, but it may not receive a fee for managing certain other affiliated cash management vehicles in which the Portfolio may invest, and therefore may have an incentive to allocate preferred investment opportunities to investment vehicles for which it is receiving a fee.

The value of the collateral must be at least 102% of the market value of the loaned securities that are denominated in U.S. dollars and 105% of the market value of the loaned securities that are not denominated in U.S. dollars. Loaned securities and related collateral are marked-to-market each business day based upon the market value of the loaned securities at the close of business, employing the most recent available pricing information. Collateral levels are then adjusted based on this mark-to-market evaluation.

The cash collateral invested by Janus Capital is disclosed in the Schedule of Investments (if applicable).

Income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to the lending agent are included as "Affiliated securities lending income, net" on the Statement of Operations.

There were no securities on loan as of December 31, 2020.

3. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays Janus Capital Management LLC ("Janus Capital") an investment advisory fee which is calculated daily and paid monthly. The Portfolio's "base" fee rate prior to any performance adjustment (expressed as an annual rate) is 0.64%.

The investment advisory fee rate is determined by calculating a base fee and applying a performance adjustment. The base fee rate is the same as the contractual investment advisory fee rate. The performance adjustment either increases or decreases the base fee depending on how well the Portfolio has performed relative to its benchmark index. The Portfolio's benchmark index used in the calculation is the Russell 1000[®] Growth Index.

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The calculation of the performance adjustment applies as follows:

Investment Advisory Fee = Base Fee Rate +/- Performance Adjustment

The investment advisory fee rate paid to Janus Capital by the Portfolio consists of two components: (1) a base fee calculated by applying the contractual fixed rate of the advisory fee to the Portfolio's average daily net assets during the previous month ("Base Fee Rate"), plus or minus (2) a performance-fee adjustment ("Performance Adjustment") calculated by applying a variable rate of up to 0.15% (positive or negative) to the Portfolio's average daily net assets based on the Portfolio's relative performance compared to the cumulative investment record of its benchmark index over a 36-month performance measurement period or shorter time period, as applicable. The investment performance of a Portfolio's Service Shares, for the performance measurement period is used to calculate the Performance Adjustment. No Performance Adjustment is applied unless the difference between the Portfolio's investment performance and the cumulative investment record of the Portfolio's benchmark index is 0.50% or greater (positive or negative) during the applicable performance measurement period.

The Portfolio's prospectuses and statement(s) of additional information contain additional information about performance-based fees. The amount shown as advisory fees on the Statement of Operations reflects the Base Fee Rate plus/minus any Performance Adjustment. For the year ended December 31, 2020, the performance adjusted investment advisory fee rate before any waivers and/or reimbursements of expenses is 0.68%.

Janus Services LLC ("Janus Services"), a wholly-owned subsidiary of Janus Capital, is the Portfolio's transfer agent. Janus Services receives an administrative services fee at an annual rate of 0.05% of the average daily net assets of the Portfolio for arranging for the provision by participating insurance companies and qualified plan service providers of administrative services, including recordkeeping, subaccounting, order processing, or other shareholder services provided on behalf of contract holders or plan participants investing in the Portfolio. Other shareholder services may include the provision of order confirmations, periodic account statements, forwarding prospectuses, shareholder reports, and other materials to existing investors, and answering inquiries regarding accounts. Janus Services expects to use this entire fee to compensate insurance companies and qualified plan service providers for providing these services to their customers who invest in the Portfolio. Any unused portion will be reimbursed to the applicable share class at least annually.

In addition, Janus Services provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. Janus Services is not compensated for these internal services related to the shares, except for out-of-pocket costs. These amounts are disclosed as "Other transfer agent fees and expenses" on the Statement of Operations.

Under a distribution and shareholder servicing plan (the "Plan") adopted in accordance with Rule 12b-1 under the 1940 Act, the Service Shares may pay the Trust's distributor, Janus Distributors LLC ("Janus Distributors"), a wholly-owned subsidiary of Janus Capital, a fee for the sale and distribution and/or shareholder servicing of the Service Shares at an annual rate of up to 0.25% of the average daily net assets of the Service Shares. Under the terms of the Plan, the Trust is authorized to make payments to Janus Distributors for remittance to insurance companies and qualified plan service providers as compensation for distribution and/or shareholder services performed by such entities. These amounts are disclosed as "12b-1 Distribution and shareholder servicing fees" on the Statement of Operations. Payments under the Plan are not tied exclusively to actual 12b-1 distribution and servicing fees, and the payments may exceed 12b-1 distribution and servicing fees actually incurred. If any of the Portfolio's actual 12b-1 distribution and servicing fees incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in "12b-1 Distribution and shareholder servicing fees" in the Statement of Operations.

Janus Capital serves as administrator to the Portfolio pursuant to an administration agreement between Janus Capital and the Trust. Under the administration agreement, Janus Capital is obligated to provide or arrange for the provision of certain administration, compliance, and accounting services to the Portfolio, including providing office space for the Portfolio, and is reimbursed by the Portfolio for certain of its costs in providing these services (to the extent Janus Capital seeks reimbursement and such costs are not otherwise waived). In addition, employees of Janus Capital and/or its affiliates may serve as officers of the Trust. The Portfolio pays for some or all of the salaries, fees, and expenses of Janus Capital employees and Portfolio officers, with respect to certain specified administration functions they perform on behalf of the Portfolio. The Portfolio pays these costs based on out-of-pocket expenses incurred by Janus Capital, and these costs are separate and apart from advisory fees and other expenses paid in connection with the investment

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advisory services Janus Capital (or any subadvisor, as applicable) provides to the Portfolio. These amounts are disclosed as "Affiliated portfolio administration fees" on the Statement of Operations. In addition, some expenses related to compensation payable to the Portfolio's Chief Compliance Officer and certain compliance staff, all of whom are employees of Janus Capital and/or its affiliates, are shared with the Portfolio. Total compensation of \$34,973 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2020. The Portfolio's portion is reported as part of "Other expenses" on the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the "Deferred Plan") for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus Henderson funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/(depreciation) and is included as of December 31, 2020 on the Statement of Assets and Liabilities in the asset, "Non-interested Trustees' deferred compensation," and liability, "Non-interested Trustees' deferred compensation fees." Additionally, the recorded unrealized appreciation/(depreciation) is included in "Total distributable earnings (loss)" on the Statement of Assets and Liabilities. Deferred compensation expenses for the year ended December 31, 2020 are included in "Non-interested Trustees' fees and expenses" on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan. Deferred fees of \$471,450 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2020.

Pursuant to the provisions of the 1940 Act and related rules, the Portfolio may participate in an affiliated or non-affiliated cash sweep program. In the cash sweep program, uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or non-affiliated money market funds or cash management pooled investment vehicles that operate as money market funds. The Portfolio is eligible to participate in the cash sweep program (the "Investing Funds"). As adviser, Janus Capital has an inherent conflict of interest because of its fiduciary duties to the affiliated money market funds or cash management pooled investment vehicles and the Investing Funds. Janus Henderson Cash Liquidity Fund LLC (the "Sweep Vehicle") is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. The Sweep Vehicle operates pursuant to the provisions of the 1940 Act that govern the operation of money market funds and prices its shares at NAV reflecting market-based values of its portfolio securities (i.e., a "floating" NAV) rounded to the fourth decimal place (e.g., \$1.0000). The Sweep Vehicle is permitted to impose a liquidity fee (of up to 2%) on redemptions from the Sweep Vehicle or a redemption gate that temporarily suspends redemptions from the Sweep Vehicle for up to 10 business days during a 90 day period. There are no restrictions on the Portfolio's ability to withdraw investments from the Sweep Vehicle at will, and there are no unfunded capital commitments due from the Portfolio to the Sweep Vehicle. The Sweep Vehicle does not charge any management fee, sales charge or service fee.

Any purchases and sales, realized gains/losses and recorded dividends from affiliated investments during the year ended December 31, 2020 can be found in the "Schedules of Affiliated Investments" located in the Schedule of Investments.

The Portfolio is permitted to purchase or sell securities ("cross-trade") between itself and other funds or accounts managed by Janus Capital in accordance with Rule 17a-7 under the Investment Company Act of 1940 ("Rule 17a-7"), when the transaction is consistent with the investment objectives and policies of the Portfolio and in accordance with the Internal Cross Trade Procedures adopted by the Trust's Board of Trustees. These procedures have been designed to ensure that any cross-trade of securities by the Portfolio from or to another fund or account that is or could be considered an affiliate of the Portfolio under certain limited circumstances by virtue of having a common investment adviser, common Officer, or common Trustee complies with Rule 17a-7. Under these procedures, each cross-trade is effected at the current market price to save costs where allowed. During the year ended December 31, 2020, the Portfolio engaged in cross trades amounting to \$44,137 in purchases and \$1,075,151 in sales, resulting in a net realized loss of \$565,414. The net realized loss is included within the "Net Realized Gain/(Loss) on Investments" section of the Portfolio's Statement of Operations.

Janus Henderson VIT Forty Portfolio

Notes to Financial Statements

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.

<i>Undistributed Ordinary Income</i>	<i>Undistributed Long-Term Gains</i>	<i>Accumulated Capital Losses</i>	<i>Loss Deferrals</i>		<i>Other Book to Tax Differences</i>	<i>Net Tax Appreciation/ (Depreciation)</i>
			<i>Late-Year Ordinary Loss</i>	<i>Post-October Capital Loss</i>		
\$ 6,110,328	\$ 138,007,250	\$ -	\$ -	\$ -	\$ (22,551)	\$530,528,231

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of December 31, 2020 are noted below. The primary differences between book and tax appreciation or depreciation of investments are wash sale loss deferrals, investments in partnerships, and investments in passive foreign investment companies.

<i>Federal Tax Cost</i>	<i>Unrealized Appreciation</i>	<i>Unrealized (Depreciation)</i>	<i>Net Tax Appreciation/ (Depreciation)</i>
\$ 562,364,463	\$530,623,143	\$ (94,912)	\$ 530,528,231

Income and capital gains distributions are determined in accordance with income tax regulations that may differ from US GAAP. These differences are due to differing treatments for items such as net short-term gains, deferral of wash sale losses, foreign currency transactions, passive foreign investment companies, and capital loss carryovers. Certain permanent differences such as tax returns of capital and net investment losses noted below have been reclassified to capital.

For the year ended December 31, 2020

<i>Distributions</i>			
<i>From Ordinary Income</i>	<i>From Long-Term Capital Gains</i>	<i>Tax Return of Capital</i>	<i>Net Investment Loss</i>
\$ 6,253,584	\$ 65,585,050	\$ -	\$ -

For the year ended December 31, 2019

<i>Distributions</i>			
<i>From Ordinary Income</i>	<i>From Long-Term Capital Gains</i>	<i>Tax Return of Capital</i>	<i>Net Investment Loss</i>
\$ 618,837	\$ 69,329,314	\$ -	\$ -

Janus Henderson VIT Forty Portfolio

Notes to Financial Statements

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:

<i>Increase/(Decrease) to Capital</i>	<i>Increase/(Decrease) to Undistributed Net Investment Income/Loss</i>	<i>Increase/(Decrease) to Undistributed Net Realized Gain/Loss</i>
\$ (2)	\$ 913,636	\$ (913,634)

5. Capital Share Transactions

	<i>Year ended December 31, 2020</i>		<i>Year ended December 31, 2019</i>	
	<i>Shares</i>	<i>Amount</i>	<i>Shares</i>	<i>Amount</i>
Institutional Shares:				
Shares sold	1,037,980	\$ 48,778,741	1,174,768	\$ 48,016,950
Reinvested dividends and distributions	667,502	28,629,140	703,924	27,749,524
Shares repurchased	(1,752,621)	(81,760,489)	(2,021,587)	(81,985,824)
Net Increase/(Decrease)	(47,139)	\$ (4,352,608)	(142,895)	\$ (6,219,350)
Service Shares:				
Shares sold	1,055,239	\$ 47,177,425	919,315	\$ 34,835,599
Reinvested dividends and distributions	1,082,945	43,209,494	1,143,734	42,198,627
Shares repurchased	(2,804,441)	(123,272,553)	(2,307,562)	(88,696,336)
Net Increase/(Decrease)	(666,257)	\$ (32,885,634)	(244,513)	\$ (11,662,110)

6. Purchases and Sales of Investment Securities

For the year ended December 31, 2020, the aggregate cost of purchases and proceeds from sales of investment securities (excluding any short-term securities, short-term options contracts, TBAs, and in-kind transactions, as applicable) was as follows:

<i>Purchases of Securities</i>	<i>Proceeds from Sales of Securities</i>	<i>Purchases of Long-Term U.S. Government Obligations</i>	<i>Proceeds from Sales of Long-Term U.S. Government Obligations</i>
\$379,038,219	\$ 499,636,029	\$ -	\$ -

7. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2020 and through the date of issuance of the Portfolio's financial statements and determined that there were no material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

Janus Henderson VIT Forty Portfolio

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Janus Aspen Series and Shareholders of Janus Henderson VIT Forty Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Janus Henderson VIT Forty Portfolio (one of the portfolios constituting Janus Aspen Series, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statements of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian, transfer agent, and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.



Denver, Colorado
February 16, 2021

We have served as the auditor of one or more investment companies in Janus Henderson Funds since 1990.

Janus Henderson VIT Forty Portfolio

Additional Information (unaudited)

Proxy Voting Policies and Voting Record

A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-1093; (ii) on the Portfolio's website at janushenderson.com/proxyvoting; and (iii) on the SEC's website at <http://www.sec.gov>. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through janushenderson.com/proxyvoting and from the SEC's website at <http://www.sec.gov>.

Full Holdings

The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC as an exhibit to Form N-PORT within 60 days of the end of the first and third fiscal quarters, and in the annual report and semiannual report to shareholders. The Portfolio's Form N-PORT filings and annual and semiannual reports: (i) are available on the SEC's website at <http://www.sec.gov>; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) are available without charge, upon request, by calling a Janus Henderson representative at 1-877-335-2687 (toll free). Portfolio holdings consisting of at least the names of the holdings are generally available on a monthly basis with a 30-day lag under Full Holdings for the Portfolio at janushenderson.com/vit.

APPROVAL OF ADVISORY AGREEMENTS DURING THE PERIOD

The Trustees of Janus Aspen Series, each of whom serves as an "independent" Trustee (the "Trustees"), oversee the management of each Portfolio of Janus Aspen Series (each, a "VIT Portfolio," and collectively, the "VIT Portfolios"), as well as each Fund of Janus Investment Fund (together with the VIT Portfolios, the "Janus Henderson Funds," and each, a "Janus Henderson Fund"). As required by law, the Trustees determine annually whether to continue the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreements for the Janus Henderson Funds that utilize subadvisers.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received, and reviewed information provided by Janus Capital and the respective subadvisers in response to requests of the Trustees and their independent legal counsel. They also received and reviewed information and analysis provided by, and in response to requests of, their independent fee consultant. Throughout their consideration of the agreements, the Trustees were advised by their independent legal counsel. The Trustees met with management to consider the agreements, and also met separately in executive session with their independent legal counsel and their independent fee consultant.

At a meeting held on December 9, 2020, based on the Trustees' evaluation of the information provided by Janus Capital, the subadvisers, and the independent fee consultant, as well as other information, the Trustees determined that the overall arrangements between each Janus Henderson Fund and Janus Capital and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by Janus Capital, its affiliates and the subadvisers, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment. At that meeting, the Trustees unanimously approved the continuation of the investment advisory agreement for each Janus Henderson Fund, and the subadvisory agreement for each subadvised Janus Henderson Fund, for the period from February 1, 2021 through February 1, 2022, subject to earlier termination as provided for in each agreement.

In considering the continuation of those agreements, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Trustees' determination to approve the continuation of the agreements are discussed separately below. Also included is a summary of the independent fee consultant's conclusions and opinions that arose during, and were included as part of, the Trustees' consideration of the agreements. "Management fees," as used herein, reflect actual annual advisory fees and, for the purpose of peer comparisons any administration fees (excluding out of pocket costs), net of any waivers, paid by a fund as a percentage of average net assets.

Nature, Extent and Quality of Services

The Trustees reviewed the nature, extent and quality of the services provided by Janus Capital and the subadvisers to the Janus Henderson Funds, taking into account the investment objective, strategies and policies of each Janus Henderson Fund, and the knowledge the Trustees gained from their regular meetings with management on at least a

Janus Henderson VIT Forty Portfolio

Additional Information (unaudited)

quarterly basis and their ongoing review of information related to the Janus Henderson Funds. In addition, the Trustees reviewed the resources and key personnel of Janus Capital and each subadviser, particularly noting those employees who provide investment and risk management services to the Janus Henderson Funds. The Trustees also considered other services provided to the Janus Henderson Funds by Janus Capital or the subadvisers, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered Janus Capital's role as administrator to the Janus Henderson Funds, noting that Janus Capital generally does not receive a fee for its services but is reimbursed for its out-of-pocket costs. The Trustees considered the role of Janus Capital in monitoring adherence to the Janus Henderson Funds' investment restrictions, providing support services for the Trustees and Trustee committees, and overseeing communications with shareholders and the activities of other service providers, including monitoring compliance with various policies and procedures of the Janus Henderson Funds and with applicable securities laws and regulations.

In this regard, the independent fee consultant noted that Janus Capital provides a number of different services for the Janus Henderson Funds and fund shareholders, ranging from investment management services to various other servicing functions, and that, in its view, Janus Capital is a capable provider of those services. The independent fee consultant also provided its belief that Janus Capital has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance over the long term.

The Trustees concluded that the nature, extent and quality of the services provided by Janus Capital or the subadviser to each Janus Henderson Fund were appropriate and consistent with the terms of the respective advisory and subadvisory agreements, and that, taking into account steps taken to address those Janus Henderson Funds whose performance lagged that of their peers for certain periods, the Janus Henderson Funds were likely to benefit from the continued provision of those services. They also concluded that Janus Capital and each subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and had demonstrated its ability to attract well-qualified personnel.

Performance of the Funds

The Trustees considered the performance results of each Janus Henderson Fund over various time periods. They noted that they considered Janus Henderson Fund performance data throughout the year, including periodic meetings with each Janus Henderson Fund's portfolio manager(s), and also reviewed information comparing each Janus Henderson Fund's performance with the performance of comparable funds and peer groups identified by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent data provider, and with the Janus Henderson Fund's benchmark index. In this regard, the independent fee consultant found that the overall Janus Henderson Funds' performance has been reasonable: for the 36 months ended September 30, 2020, approximately 75% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2020, approximately 62% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers.

The Trustees considered the performance of each Janus Henderson Fund, noting that performance may vary by share class, and noted the following with respect to the VIT Portfolios:

- For Janus Henderson Balanced Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance, and that the performance trend was improving.

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Additional Information (unaudited)

- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Global Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital and Perkins had taken or were taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020.

In consideration of each Janus Henderson Fund's performance, the Trustees concluded that, taking into account the factors relevant to performance, as well as other considerations, including steps taken to improve performance, the Janus Henderson Fund's performance warranted continuation of such Janus Henderson Fund's investment advisory and subadvisory agreement(s).

Costs of Services Provided

The Trustees examined information regarding the fees and expenses of each Janus Henderson Fund in comparison to similar information for other comparable funds as provided by Broadridge, an independent data provider. They also reviewed an analysis of that information provided by their independent fee consultant and noted that the rate of management fees (investment advisory fees and any administration fees but excluding out-of-pocket costs) for many of the Janus Henderson Funds, after applicable waivers, was below the average management fee rate of the respective peer group of funds selected by an independent data provider. The Trustees also examined information regarding the subadvisory fees charged for subadvisory services, as applicable, noting that all such fees were paid by Janus Capital out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by Janus Capital to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by Janus Capital. The independent fee consultant found: (1) the total expenses and management fees of the Janus Henderson Funds to be reasonable relative to other comparable mutual funds; (2) the total expenses, on average, were 10% under the average total expenses of the respective Broadridge Expense Group peers; and (3) the management fees for the Janus Henderson Funds, on average, were 9% under the average management fees for the respective Broadridge Expense Group. The Trustees also considered the total expenses for

Janus Henderson VIT Forty Portfolio

Additional Information (unaudited)

each share class of each Janus Henderson Fund compared to the average total expenses for its Broadridge Expense Group and to average total expenses for its Broadridge Expense Universe.

For certain Janus Henderson Funds, the independent fee consultant also performed a systematic “focus list” analysis of expenses which assessed fund fees in the context of fund performance being delivered. Based on this analysis, the independent fee consultant found that the combination of service quality/performance and expenses on these individual Janus Henderson Funds was reasonable in light of performance trends, performance histories, and existence of performance fees, breakpoints, and/or expense waivers on such Janus Henderson Funds.

The Trustees considered the methodology used by Janus Capital and each subadviser in determining compensation payable to portfolio managers, the competitive environment for investment management talent, and the competitive market for mutual funds in different distribution channels.

The Trustees also reviewed management fees charged by Janus Capital and each subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by Janus Capital or by a subadviser (for which Janus Capital or the subadviser provides only or primarily portfolio management services). Although in most instances subadvisory and separate account fee rates for various investment strategies were lower than management fee rates for Janus Henderson Funds having a similar strategy, the Trustees considered that Janus Capital noted that, under the terms of the management agreements with the Janus Henderson Funds, Janus Capital performs significant additional services for the Janus Henderson Funds that it does not provide to those other clients, including administration services, oversight of the Janus Henderson Funds' other service providers, trustee support, regulatory compliance and numerous other services, and that, in serving the Janus Henderson Funds, Janus Capital assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, they noted that the independent fee consultant found that: (1) the management fees Janus Capital charges to the Janus Henderson Funds are reasonable in relation to the management fees Janus Capital charges to funds subadvised by Janus Capital and to the fees Janus Capital charges to its institutional separate account clients; (2) these subadvised and institutional separate accounts have different service and infrastructure needs and operate in markets very distinct relative to retail funds; and (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; (4) 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by Janus Capital; and (5) 5 of 8 Janus Henderson Funds have lower management fees than similar separate accounts managed by Janus Capital.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2019, including the VIT Portfolios, and noted the following with regard to each VIT Portfolio's total expenses, net of applicable fee waivers (the VIT Portfolio's “total expenses”):

- For Janus Henderson Balanced Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.
- For Janus Henderson Forty Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Research Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.

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Additional Information (unaudited)

- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's total expenses were below the peer group average for both share classes.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for its sole share class.

The Trustees reviewed information on the overall profitability to Janus Capital and its affiliates of their relationship with the Janus Henderson Funds, and considered profitability data of other publicly traded mutual fund advisers. The Trustees recognized that profitability comparisons among fund managers are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund manager is affected by numerous factors, including the organizational structure of the particular fund manager, differences in complex size, difference in product mix, difference in types of business (mutual fund, institutional and other), differences in the types of funds and other accounts it manages, possible other lines of business, the methodology for allocating expenses, and the fund manager's capital structure and cost of capital.

Additionally, the Trustees considered the estimated profitability to Janus Capital from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether Janus Capital and each subadviser receive adequate incentives and resources to manage the Janus Henderson Funds effectively. In reviewing profitability, the Trustees noted that the estimated profitability for an individual Janus Henderson Fund is necessarily a product of the allocation methodology utilized by Janus Capital to allocate its expenses as part of the estimated profitability calculation. In this regard, the Trustees noted that the independent fee consultant found that (1) the expense allocation methodology and rationales utilized by Janus Capital were reasonable and (2) no clear correlation exists between expense allocations and operating margins. The Trustees also considered that the estimated profitability for an individual Janus Henderson Fund was influenced by a number of factors, including not only the allocation methodology selected, but also the presence of fee waivers and expense caps, and whether the Janus Henderson Fund's investment management agreement contained breakpoints or a performance fee component. The Trustees determined, after taking into account these factors, among others, that Janus Capital's estimated profitability with respect to each Janus Henderson Fund was not unreasonable in relation to the services provided, and that the variation in the range of such estimated profitability among the Janus Henderson Funds was not a material factor in the Board's approval of the reasonableness of any Janus Henderson Fund's investment management fees.

The Trustees concluded that the management fees payable by each Janus Henderson Fund to Janus Capital and its affiliates, as well as the fees paid by Janus Capital to the subadvisers of subadvised Janus Henderson Funds, were reasonable in relation to the nature, extent, and quality of the services provided, taking into account the fees charged by other advisers for managing comparable mutual funds with similar strategies, the fees Janus Capital and the subadvisers charge to other clients, and, as applicable, the impact of fund performance on management fees payable by the Janus Henderson Funds. The Trustees also concluded that each Janus Henderson Fund's total expenses were reasonable, taking into account the size of the Janus Henderson Fund, the quality of services provided by Janus Capital and any subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by Janus Capital.

Economies of Scale

The Trustees considered information about the potential for Janus Capital to realize economies of scale as the assets of the Janus Henderson Funds increase. They noted that their independent fee consultant published a report to the Trustees in November 2019 which provided its research and analysis into economies of scale. They also noted that, although many Janus Henderson Funds pay advisory fees at a fixed base rate as a percentage of net assets, without any breakpoints or performance fees, their independent fee consultant concluded that 73% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. They also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of Janus Capital, Janus Capital is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) as the assets of some of the Janus Henderson Funds have declined in the past few years, certain of those Janus Henderson Funds have benefited from having advisory fee rates that have remained constant rather than increasing as assets declined; (3) performance fee structures have been implemented for various Janus Henderson Funds that have caused the effective rate of advisory fees payable by such

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Janus Henderson Fund to vary depending on the investment performance of the Janus Henderson Fund relative to its benchmark index over the measurement period; and (4) a few Janus Henderson Funds have fee schedules with breakpoints and reduced fee rates above certain asset levels. The Trustees also noted that the Janus Henderson Funds share directly in economies of scale through the significant investments made by Janus Capital and its affiliates related to services provided to the Funds and the lower charges of third-party service providers that are based in part on the combined scale of all of the Janus Henderson Funds.

The Trustees also considered the independent fee consultant's conclusion that, given the limitations of various analytical approaches to economies of scale and their conflicting results, it is difficult to analytically confirm or deny the existence of economies of scale in the Janus Henderson complex. In this regard, the independent consultant concluded that (1) to the extent there were economies of scale at Janus Capital, Janus Capital's general strategy of setting fixed management fees below peers appeared to share any such economies with investors even on smaller Janus Henderson Funds which have not yet achieved those economies and (2) by setting lower fixed fees from the start on these Janus Henderson Funds, Janus Capital appeared to be investing to increase the likelihood that these Janus Henderson Funds will grow to a level to achieve any economies of scale that may exist. Further, the independent fee consultant provided its belief that Janus Henderson Fund investors are well-served by the fee levels and performance fee structures in place on the Janus Henderson Funds in light of any economies of scale that may be present at Janus Capital.

Based on all of the information reviewed, including the recent and past research and analysis conducted by the Trustees' independent fee consultant, the Trustees concluded that the current fee structure of each Janus Henderson Fund was reasonable and that the current rates of fees do reflect a sharing between Janus Capital and the Janus Henderson Fund of any economies of scale that may be present at the current asset level of the Janus Henderson Fund.

Other Benefits to Janus Capital

The Trustees also considered benefits that accrue to Janus Capital and its affiliates and subadvisers to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of Janus Capital separately serve the Janus Henderson Funds as transfer agent and distributor, respectively, and the transfer agent receives compensation directly from the non-money market funds for services provided, and that such compensation contributes to the overall profitability of Janus Capital and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered Janus Capital's past and proposed use of commissions paid by the Janus Henderson Funds on portfolio brokerage transactions to obtain proprietary and third-party research products and services benefiting the Janus Henderson Fund and/or other clients of Janus Capital and Janus Capital, and/or a subadviser to a Janus Henderson Fund. The Trustees concluded that Janus Capital's and the subadvisers' use of these types of client commission arrangements to obtain proprietary and third-party research products and services was consistent with regulatory requirements and guidelines and was likely to benefit each Janus Henderson Fund. The Trustees also concluded that, other than the services provided by Janus Capital and its affiliates and subadvisers pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and Janus Capital and the subadvisers may potentially benefit from their relationship with each other in other ways. They concluded that Janus Capital and its affiliates share directly in economies of scale through the lower charges of third-party service providers that are based in part on the combined scale of the Janus Henderson Funds and other clients serviced by Janus Capital and its affiliates. They also concluded that Janus Capital and/or the subadvisers benefit from the receipt of research products and services acquired through commissions paid on portfolio transactions of the Janus Henderson Funds and that the Janus Henderson Funds benefit from Janus Capital's and/or the subadvisers' receipt of those products and services as well as research products and services acquired through commissions paid by other clients of Janus Capital and/or other clients of the subadvisers. They further concluded that the success of any Janus Henderson Fund could attract other business to Janus Capital, the subadvisers or other Janus Henderson funds, and that the success of Janus Capital and the subadvisers could enhance Janus Capital's and the subadvisers' ability to serve the Janus Henderson Funds.

Janus Henderson VIT Forty Portfolio

Useful Information About Your Portfolio Report (unaudited)

Management Commentary

The Management Commentary in this report includes valuable insight as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of risk. A company may be allocated to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed in the Management Commentary are just that: opinions. They are a reflection based on best judgment at the time this report was compiled, which was December 31, 2020. As the investing environment changes, so could opinions. These views are unique and are not necessarily shared by fellow employees or by Janus Henderson in general.

Performance Overviews

Performance overview graphs compare the performance of a hypothetical \$10,000 investment in the Portfolio with one or more widely used market indices. When comparing the performance of the Portfolio with an index, keep in mind that market indices are not available for investment and do not reflect deduction of expenses.

Average annual total returns are quoted for a Portfolio with more than one year of performance history. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Cumulative total returns are quoted for a Portfolio with less than one year of performance history. Cumulative total return is the growth or decline in value of an investment over time, independent of the period of time involved. Cumulative total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized (if applicable) and unsubsidized ratios. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The net annual fund operating expenses ratio (if applicable) includes contractual waivers of Janus Capital and reflects the Portfolio's subsidized expense ratio. Ratios may be higher or lower than those shown in the "Financial Highlights" in this report.

Schedule of Investments

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country of risk. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Barclays and/or MSCI Inc.

Tables listing details of individual forward currency contracts, futures, written options, swaptions, and swaps follow the Portfolio's Schedule of Investments (if applicable).

Statement of Assets and Liabilities

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

Janus Henderson VIT Forty Portfolio

Useful Information About Your Portfolio Report (unaudited)

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on securities owned, and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid, and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's net assets for each share class (assets minus liabilities) by the number of shares outstanding.

Statement of Operations

This statement details the Portfolio's income, expenses, realized gains and losses on securities and currency transactions, and changes in unrealized appreciation or depreciation of Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from securities and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign currency-denominated assets and liabilities. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. A change in unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

Statements of Changes in Net Assets

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends and distributions to investors, and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment operations. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends and/or distributions in cash, money is taken out of the Portfolio to pay the dividend and/or distribution. If investors reinvest their dividends and/or distributions, the Portfolio's net assets will not be affected. If you compare the Portfolio's "Net Decrease from Dividends and Distributions" to "Reinvested Dividends and Distributions," you will notice that dividends and distributions have little effect on the Portfolio's net assets. This is because the majority of the Portfolio's investors reinvest their dividends and/or distributions.

The reinvestment of dividends and distributions is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

Financial Highlights

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods as well as total return, asset size, ratios, and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income/(loss) per share. Following is the per share total of net gains/(losses), realized and unrealized. Per share dividends and distributions to investors are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the total return for the period. The total return may include adjustments in accordance with

Janus Henderson VIT Forty Portfolio

Useful Information About Your Portfolio Report (unaudited)

generally accepted accounting principles required at the period end for financial reporting purposes. As a result, the total return may differ from the total return reflected for individual shareholder transactions. Also included are ratios of expenses and net investment income to average net assets.

The Portfolio's expenses may be reduced through expense offsets and expense reimbursements. The ratios shown reflect expenses before and after any such offsets and reimbursements.

The ratio of net investment income/(loss) summarizes the income earned less expenses, divided by the average net assets of the Portfolio during the reporting period. Do not confuse this ratio with the Portfolio's yield. The net investment income ratio is not a true measure of the Portfolio's yield because it does not take into account the dividends distributed to the Portfolio's investors.

The next figure is the portfolio turnover rate, which measures the buying and selling activity in the Portfolio. Portfolio turnover is affected by market conditions, changes in the asset size of the Portfolio, fluctuating volume of shareholder purchase and redemption orders, the nature of the Portfolio's investments, and the investment style and/or outlook of the portfolio manager(s) and/or investment personnel. A 100% rate implies that an amount equal to the value of the entire portfolio was replaced once during the fiscal year; a 50% rate means that an amount equal to the value of half the portfolio is traded in a year; and a 200% rate means that an amount equal to the value of the entire portfolio is traded every six months.

Janus Henderson VIT Forty Portfolio

Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2020:

Capital Gain Distributions	\$65,585,050
Dividends Received Deduction Percentage	26%

Janus Henderson VIT Forty Portfolio

Trustees and Officers (unaudited)

The following are the Trustees and officers of the Trust, together with a brief description of their principal occupations during the last five years (principal occupations for certain Trustees may include periods over five years). The Portfolio's Statement of Additional Information includes additional information about the Trustees and officers and is available, without charge, by calling 1-877-335-2687.

Each Trustee has served in that capacity since he or she was originally elected or appointed. The Trustees do not serve a specified term of office. Each Trustee will hold office until the termination of the Trust or his or her earlier death, resignation, retirement, incapacity, or removal. Under the Portfolio's Governance Procedures and Guidelines, the policy is for Trustees to retire no later than the end of the calendar year in which the Trustee turns 75. The Trustees review the Portfolio's Governance Procedures and Guidelines from time to time and may make changes they deem appropriate. The Portfolio's Nominating and Governance Committee will consider nominees for the position of Trustee recommended by shareholders. Shareholders may submit the name of a candidate for consideration by the Committee by submitting their recommendations to the Trust's Secretary. Each Trustee is currently a Trustee of one other registered investment company advised by Janus Capital: Janus Investment Fund. Collectively, these two registered investment companies consist of 56 series or funds referred to herein as the Fund Complex.

The Trust's officers are elected annually by the Trustees for a one-year term. Certain officers also serve as officers of Janus Investment Fund. Certain officers of the Portfolio may also be officers and/or directors of Janus Capital. Except as otherwise disclosed, Portfolio officers receive no compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer, as authorized by the Trustees.

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).	56	Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (since 2016), Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 2 funds) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006).

Janus Henderson VIT Forty Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Alan A. Brown 151 Detroit Street Denver, CO 80206 DOB: 1962	Trustee	1/13-Present	Principal, Curam Holdings LLC (since 2018). Formerly, Executive Vice President, Institutional Markets, of Black Creek Group (private equity real estate investment management firm) (2012-2018), Executive Vice President and Co-Head, Global Private Client Group (2007-2010), Executive Vice President, Mutual Funds (2005-2007), and Chief Marketing Officer (2001-2005) of Nuveen Investments, Inc. (asset management).	56	Advisory Board Member of AEW Core Property Trust (open-end property fund) (since 2020), and Director of WTTW (PBS affiliate) (since 2003). Formerly, Director of MotiveQuest LLC (strategic social market research company) (2003-2016), Director of Nuveen Global Investors LLC (2007-2011), Director of Communities in Schools (2004-2010), and Director of Mutual Fund Education Alliance (until 2010).

Janus Henderson VIT Forty Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William D. Cvengros 151 Detroit Street Denver, CO 80206 DOB: 1948	Trustee	1/11-Present	Chief Executive Officer of SJC Capital, LLC (a personal investment company and consulting firm) (since 2002). Formerly, Chief Executive Officer and President of PIMCO Advisors Holdings L.P. (a publicly traded investment management firm) (1994-2000), and Chief Investment Officer (1987-1994) and Vice Chairman and Director (1990-1994) of Pacific Life Insurance Company (a mutual life insurance and annuity company) (1987-1994).	56	Advisory Board Member, RevOZ Fund LP and related funds (real estate investments for opportunity zones) (since 2020), and Advisory Board Member, Innovate Partners Emerging Growth and Equity Fund I (early stage venture capital fund) (since 2014). Formerly, Managing Trustee of National Retirement Partners Liquidating Trust (2013-2016), Chairman, National Retirement Partners, Inc. (formerly a network of advisors to 401(k) plans) (2005-2013), Director of Prospect Acquisition Corp. (a special purpose acquisition corporation) (2007-2009), Director of RemedyTemp, Inc. (temporary help services company) (1996-2006), and Trustee of PIMCO Funds Multi-Manager Series (1990-2000) and Pacific Life Variable Life & Annuity Trusts (1987-1994).

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), and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (since 2016). Formerly, Senior Vice President (2011-2015), Albright Stonebridge Group LLC, and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	56	Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
William M. Fitzgerald, Sr. 151 Detroit Street Denver, CO 80206 DOB: 1964	Trustee	9/19-Present	Founder, Fitzgerald Asset Management LLC (since 2012). Formerly, Founder and Chief Investment Officer, Global Infrastructure Asset Management LLC (2008-2017), Chief Investment Officer of Nuveen Asset Management (2000-2007), and Managing Director, Nuveen Investment LLC (1988-2007).	56	Board of Directors, Municipal Securities Rulemaking Board (since 2017). Formerly, Board of Directors of Syncora Holdings Ltd, Syncora Guarantee Inc., and Syncora Capital Assurance Inc. (2009-2016), and Trustee, Destra Investment Trust (2010-2014).

Janus Henderson VIT Forty Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Gary A. Poliner 151 Detroit Street Denver, CO 80206 DOB: 1953	Trustee	6/16-Present	Retired. Formerly, President (2010-2013) of Northwestern Mutual Life Insurance Company.	56	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013) and West Bend Mutual Insurance Company (property/casualty insurance) (since 2013). Formerly, Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).
Diane L. Wallace 151 Detroit Street Denver, CO 80206 DOB: 1958	Trustee	6/17-Present	Retired. Formerly, Chief Operating Officer, Senior Vice President-Operations, and Chief Financial Officer for Driehaus Capital Management, LLC (1988-2006) and Treasurer for Driehaus Mutual Funds (1996-2002).	56	Director of Family Service of Lake County (since 2019). Formerly, Independent Trustee, Henderson Global Funds (13 portfolios) (2015-2017), Independent Trustee, State Farm Associates' Funds Trust, State Farm Mutual Fund Trust, and State Farm Variable Product Trust (28 portfolios) (2013-2017).

Janus Henderson VIT Forty Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Linda S. Wolf 151 Detroit Street Denver, CO 80206 DOB: 1947	Trustee	11/05-Present	Retired. Formerly, Chairman and Chief Executive Officer of Leo Burnett (Worldwide) (advertising agency) (2001-2005).	56	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), Shirley Ryan Ability Lab and Wrappports, LLC (digital communications company). Formerly, Director of Chicago Council on Global Affairs (until 2019), InnerWorkings (until 2019) and Director of Walmart (until 2017).

Janus Henderson VIT Forty Portfolio

Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
A. Douglas Rao 151 Detroit Street Denver, CO 80206 DOB: 1974	Executive Vice President and Co-Portfolio Manager Janus Henderson Forty Portfolio	6/13-Present	Portfolio Manager for other Janus Henderson accounts.
Nick Schommer 151 Detroit Street Denver, CO 80206 DOB: 1978	Executive Vice President and Co-Portfolio Manager Janus Henderson Forty Portfolio	1/16-Present	Portfolio Manager for other Janus Henderson accounts.
Bruce L. Koepfgen 151 Detroit Street Denver, CO 80206 DOB: 1952	President and Chief Executive Officer	7/14-Present	Executive Vice President and Head of North America at Janus Henderson Investors (since 2017), President and Head of North America at Janus Capital Management LLC (since 2013 and 2017, respectively), President at Janus Capital Group Inc. (since 2013), President and Director at Janus International Holding LLC (since 2019 and 2011, respectively), President at Janus Holdings LLC (since 2019), President and Director at Janus Management Holdings Corporation (since 2017 and 2012, respectively), Executive Vice President and Head of North America at Janus Distributors LLC (since 2011 and 2019, respectively), Vice President and Director at Intech Investment Management LLC (since 2012), and Executive Vice President at Perkins Investment Management LLC (since 2011). Formerly, Executive Vice President at Janus Capital Group Inc., Janus International Holding LLC, and Janus Management Holdings Corporation (2011-2019), Director at Perkins Investment Management LLC (2011-2019), and Chief Financial Officer at Janus Capital Group Inc. (2011-2013).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Forty Portfolio

Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Kristin Mariani 151 Detroit Street Denver, CO 80206 DOB: 1966	Vice President, Chief Compliance Officer, and Anti-Money Laundering Officer	7/20-Present	Head of Compliance, North America for Janus Henderson Investors (since September 2020), and Chief Compliance Officer for Janus Capital Management LLC (since September 2017). Formerly, Global Head of Investment Management Compliance for Janus Henderson Investors (February 2019 – August 2020), Vice President, Head of Global Distribution Compliance and Chief Compliance Officer of Janus Henderson Distributors (May 2017-September 2017), Vice President, Compliance at Janus Capital Group Inc., Janus Capital Management LLC, and Janus Distributors LLC (2009-2017).
Jesper Nergaard 151 Detroit Street Denver, CO 80206 DOB: 1962	Chief Financial Officer Vice President, Treasurer, and Principal Accounting Officer	3/05-Present 2/05-Present	Head of U.S. Fund Administration, Janus Henderson Investors and Janus Services LLC.
Abigail J. Murray 151 Detroit Street Denver, CO 80206 DOB: 1975	Vice President, Chief Legal Officer, and Secretary	12/20-Present	Managing Counsel (2020-present). Formerly, Senior Counsel for Invesco Ltd. (2017-2020), and Vice President and Senior Counsel, ALPS Fund Services, Inc. and Assistant General Counsel, ALPS Advisors, Inc. (2015-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Forty Portfolio Notes

This report is submitted for the general information of shareholders of the Portfolio. It is not an offer or solicitation for the Portfolio and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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Janus Henderson Distributors

Janus Henderson VIT Enterprise Portfolio

Janus Aspen Series

HIGHLIGHTS

- Portfolio management perspective
- Investment strategy behind your portfolio
- Portfolio performance, characteristics and holdings

Janus Henderson
— INVESTORS —

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Janus Henderson VIT Enterprise Portfolio

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Janus Henderson VIT Enterprise Portfolio (unaudited)(closed to certain new investors)

PORTFOLIO SNAPSHOT

We believe that investing in companies with sustainable growth and high return on invested capital can help drive consistent returns and allow us to outperform our benchmark and peers over time with moderate risk. We seek to identify mid-cap companies with high-quality management teams that wisely allocate capital to fund and drive growth over time.



Philip Cody Wheaton
co-portfolio manager

Brian Demain
co-portfolio manager

PERFORMANCE OVERVIEW

During the 12 months ended December 31, 2020, Janus Henderson VIT Enterprise Portfolio's Institutional Shares and Service Shares returned 19.47% and 19.18%, respectively. The Portfolio's benchmark, the Russell Midcap[®] Growth Index, returned 35.59%. Stock selection in the information technology sector detracted from the Portfolio's relative performance. An underweight and stock selection in the consumer discretionary sector contributed positively to relative results.

INVESTMENT ENVIRONMENT

Mid-cap stocks ended the year with strong positive performance despite heightened volatility. Stocks declined sharply in the first quarter after the COVID 19 pandemic halted travel and disrupted supply chains. Efforts to contain the pandemic also led to a sharp economic contraction. The Federal Reserve responded aggressively to this crisis by cutting policy rates to zero, and Congress passed a \$2 trillion economic stimulus package. Stocks regained ground in the second quarter and extended this rally into the third and fourth quarters, aided by signs of resilient economic and corporate earnings growth. The emergency approval of several COVID-19 vaccines also boosted market performance in the fourth quarter, as it raised hopes for a return to normalcy in 2021. Against this backdrop, communication services was the strongest-performing sector of the Russell Midcap[®] Growth Index, aided by the expansion in the digital economy. Energy was the weakest-performing sector, as the decline in miles driven reduced demand and pushed oil prices lower.

PERFORMANCE DISCUSSION

In our view, one of the most stunning developments of 2020 was the extreme outperformance of the most expensive stocks in our index. An unusual combination of factors contributed to this imbalance, including low interest rates, pandemic-driven disruptions to companies exposed to the physical economy and winner-take-all dynamics that allowed companies to quickly scale and

dominate markets. Heightened uncertainty around COVID-19 also made investors willing to pay high stock prices for any companies they viewed as either insulated or benefiting from the pandemic. This confluence of factors pushed valuations higher even when companies did not substantially raise their revenue or earnings outlooks. Instead, these valuation increases were driven by multiple expansion, a dynamic we viewed as worrisome and unsustainable. We remain concerned that many of these companies will fail to produce the future growth rates needed to justify current stock valuations. While we believe our cautious approach to these expensive, more speculative growth stocks was warranted, it dampened our relative performance for the year.

Among our individual holdings, Boston Scientific was a prominent detractor. The medical device manufacturer lost a key growth driver after it was forced to pull its Lotus Edge transcatheter aortic valve replacement (TAVR) system from the market because of performance issues. Despite this setback, the company has other avenues for future revenue growth.

Cimpress, another detractor, produces marketing collateral for small businesses and the business-to-consumer segment. The stock declined in the first quarter after the company reported disappointing revenue growth. It also faced headwinds due to weaker economic growth during the rest of the year. Despite near-term uncertainty we continue to see potential in Cimpress' unique business model, which allows it to use high-volume printers to produce small-volume orders at competitive costs.

On a positive note, a number of holdings benefited from pandemic-related trends such as the growth in e-commerce. Wayfair, a top positive contributor, sells furniture and housing accessories through its website. Its business benefited from consumers' willingness to spend money online to make the pandemic-driven lockdown period more enjoyable. Sales trends were strong, helped by Wayfair's expanded product breadth and customer

Janus Henderson VIT Enterprise Portfolio (unaudited)(closed to certain new investors)

reach. The company also saw customers return for second or third purchases, which we view to be a strong indicator of customer loyalty and future earnings potential.

NICE Systems was another notable contributor. It offers technology solutions for call centers and data security, functions that were critical as more business interactions and commerce moved online during the pandemic. The company's services include sophisticated analytical applications that help boost customer engagement, and it benefits from recurring revenue streams and high customer retention rates.

DERIVATIVES

Please see the Derivative Instruments section in the "Notes to Financial Statements" for a discussion of derivatives used by the Janus Henderson VIT Enterprise Portfolio.

OUTLOOK

As we look ahead to 2021, we believe the rollout of vaccines and the normalization of the economy could lead to renewed appreciation for the moderately priced, sustainable growth companies we own. At the same time, we recognize that recent market imbalances may persist in the short term, especially as it may take time for people to return to pre-pandemic behavior even after a vaccine is widely available. We also remain concerned about pockets of the market where we believe recent valuation gains have been driven more by speculation than by fundamentals. While a few of these stocks may warrant such prices, we believe it is incredibly optimistic to expect most to deliver the sustained rapid earnings growth needed to justify such valuations, especially considering historic growth rates. For this reason, we have remained disciplined in our approach to valuation, even as we have continued to focus on companies we believe can deliver sustained growth over a three- to five-year period. These include companies with durable competitive advantages and large addressable markets with higher barriers to entry, which will enable companies to raise prices if higher inflation accompanies an economic rebound. We also believe the recent period has led to new innovations, especially in the digital economy. We remain on the lookout for opportunities to capitalize on these changes by investing in reasonably valued companies we believe are positioned for strong relative growth over longer time horizons.

Thank you for your investment in Janus VIT Enterprise Portfolio.

Janus Henderson VIT Enterprise Portfolio (unaudited)(closed to certain new investors)

Portfolio At A Glance

December 31, 2020

5 Top Contributors - Holdings

	Average Weight	Relative Contribution		Average Weight	Relative Contribution
Wayfair Inc	0.93%	1.17%	Boston Scientific Corp	1.88%	-1.24%
Nice Ltd (ADR)	2.70%	1.01%	Magellan Midstream Partners LP	1.47%	-1.14%
Catalent Inc	1.50%	0.53%	Cimpress PLC	0.88%	-0.81%
Lam Research Corp	1.64%	0.39%	Aon PLC	2.22%	-0.77%
Ritchie Bros Auctioneers Inc	1.28%	0.32%	Norwegian Cruise Line Holdings Ltd	0.14%	-0.73%

5 Top Detractors - Holdings

5 Top Contributors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell Midcap Growth Index Average Weight
Consumer Discretionary	1.02%	7.31%	12.39%
Consumer Staples	0.72%	0.00%	3.71%
Materials	0.29%	1.10%	2.40%
Industrials	-0.33%	15.89%	14.05%
Utilities	-0.44%	0.65%	0.05%

5 Top Detractors - Sectors*

	Relative Contribution	Portfolio Average Weight	Russell Midcap Growth Index Average Weight
Information Technology	-6.32%	35.39%	36.05%
Health Care	-4.47%	18.55%	19.44%
Financials	-2.45%	11.10%	3.96%
Communication Services	-1.35%	0.49%	5.17%
Other**	-1.12%	4.88%	0.00%

Relative contribution reflects how the portfolio's holdings impacted return relative to the benchmark. Cash and securities not held in the portfolio are not shown. For equity portfolios, relative contribution compares the performance of a security in the portfolio to the benchmark's total return, factoring in the difference in weight of that security in the benchmark. Returns are calculated using daily returns and previous day ending weights rolled up by ticker, excluding fixed income securities, gross of advisory fees, may exclude certain derivatives and will differ from actual performance. Performance attribution reflects returns gross of advisory fees and may differ from actual returns as they are based on end of day holdings.

Attribution is calculated by geometrically linking daily returns for the portfolio and index.

* Based on sector classification according to the Global Industry Classification Standard ("GICS") codes, which are the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.

** Not a GICS classified sector.

Janus Henderson VIT Enterprise Portfolio (unaudited)(closed to certain new investors)

Portfolio At A Glance

December 31, 2020

5 Largest Equity Holdings - (% of Net Assets)

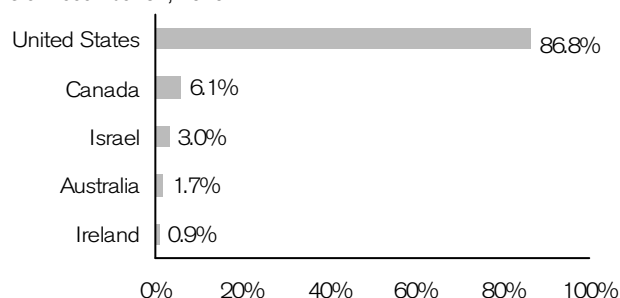
Nice Ltd (ADR)	
Software	3.0%
SS&C Technologies Holdings Inc	
Software	2.6%
Microchip Technology Inc	
Semiconductor & Semiconductor Equipment	2.4%
KLA Corp	
Semiconductor & Semiconductor Equipment	2.4%
TE Connectivity Ltd	
Electronic Equipment, Instruments & Components	2.2%
	12.6%

Asset Allocation - (% of Net Assets)

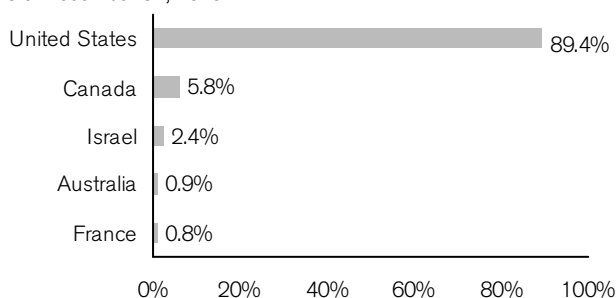
Common Stocks	96.2%
Investment Companies	4.0%
Investments Purchased with Cash	
Collateral from Securities Lending	0.2%
Other	(0.4)%
	100.0%

Top Country Allocations - Long Positions - (% of Investment Securities)

As of December 31, 2020

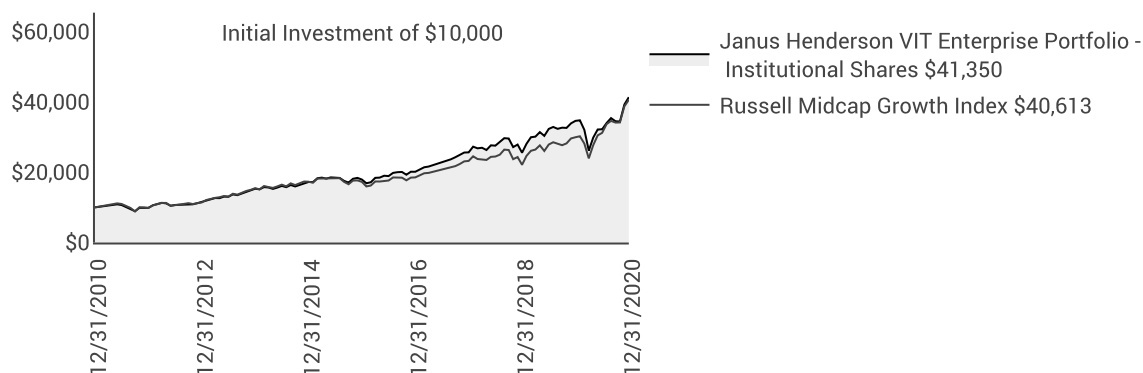


As of December 31, 2019



Janus Henderson VIT Enterprise Portfolio (unaudited)(closed to certain new investors)

Performance



Average Annual Total Return - for the periods ended December 31, 2020					Expense Ratios
	One Year	Five Year	Ten Year	Since Inception*	Total Annual Fund Operating Expenses†
Institutional Shares ⁽¹⁾	19.47%	18.21%	15.25%	11.73%	0.72%
Service Shares ⁽¹⁾	19.18%	17.92%	14.97%	11.45%	0.97%
Russell Midcap Growth Index	35.59%	18.66%	15.04%	10.97%	
Morningstar Quartile - Institutional Shares	4th	2nd	1st	2nd	
Morningstar Ranking - based on total returns for Mid-Cap Growth Funds	554/609	251/563	134/512	53/151	

Returns quoted are past performance and do not guarantee future results; current performance may be lower or higher. Investment returns and principal value will vary; there may be a gain or loss when shares are sold. For the most recent month-end performance call 800.668.0434 or visit janushenderson.com/VITperformance.

Performance may be affected by risks that include those associated with foreign and emerging markets, fixed income securities, high-yield and high-risk securities, undervalued, overlooked and smaller capitalization companies, real estate related securities including Real Estate Investment Trusts (REITs), non-diversification, portfolio turnover, derivatives, short sales, initial public offerings (IPOs) and potential conflicts of interest. Each product has different risks. Please see the prospectus for more information about risks, holdings and other details.

Returns do not reflect the deduction of fees, charges or expenses of any insurance product or qualified plan. If applied, returns would have been lower.

Returns include reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares. The returns do not include adjustments in accordance with generally accepted accounting principles required at the period end for financial reporting purposes.

Performance for Service Shares prior to December 31, 1999 reflects the performance of Institutional Shares, adjusted to reflect the expenses of Service Shares.

Ranking is for the share class shown only; other classes may have different performance characteristics.

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There is no assurance that the investment process will consistently lead to successful investing.

See Notes to Schedule of Investments and Other Information for index definitions.

Index performance does not reflect the expenses of managing a portfolio as an index is unmanaged and not available for direct investment.

See "Useful Information About Your Portfolio Report."

*The Portfolio's inception date – September 13, 1993

See important disclosures on the next page.

Janus Henderson VIT Enterprise Portfolio (unaudited)(closed to certain new investors) Performance

‡ As stated in the prospectus. See Financial Highlights for actual expense ratios during the reporting period.

(1) Closed to certain new investors.

Janus Henderson VIT Enterprise Portfolio (unaudited)(closed to certain new investors)

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/fundalyzer.

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)			Net Annualized Expense Ratio
	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	Beginning Account Value (7/1/20)	Ending Account Value (12/31/20)	Expenses Paid During Period (7/1/20 - 12/31/20)†	
Institutional							
Shares	\$1,000.00	\$1,283.50	\$4.19	\$1,000.00	\$1,021.47	\$3.71	0.73%
Service Shares	\$1,000.00	\$1,281.80	\$5.68	\$1,000.00	\$1,020.16	\$5.03	0.99%

† Expenses Paid During Period are equal to the Net Annualized Expense Ratio multiplied by the average account value over the period, multiplied by 184/366 (to reflect the one-half year period). Expenses in the examples include the effect of applicable fee waivers and/or expense reimbursements, if any. Had such waivers and/or reimbursements not been in effect, your expenses would have been higher. Please refer to the Notes to Financial Statements or the Portfolio's prospectuses for more information regarding waivers and/or reimbursements.

Janus Henderson VIT Enterprise Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– 96.2%		
Aerospace & Defense – 2.6%		
L3Harris Technologies Inc	107,060	\$20,236,481
Teledyne Technologies Inc*	59,094	23,163,666
		43,400,147
Airlines – 0.9%		
Ryanair Holdings PLC (ADR)*	138,279	15,207,924
Auto Components – 0.6%		
Visteon Corp*	81,724	10,257,996
Banks – 0.9%		
SVB Financial Group*	37,671	14,609,944
Biotechnology – 2.9%		
Abcam PLC (ADR)*,#	208,800	4,499,640
Ascendis Pharma A/S (ADR)*	41,022	6,841,649
BioMarin Pharmaceutical Inc*	125,834	11,034,383
Neurocrine Biosciences Inc*	112,924	10,823,765
RPI International Holdings LP (144A)	125,340	5,959,765
Sarepta Therapeutics Inc*	54,669	9,320,518
		48,479,720
Capital Markets – 3.8%		
Cboe Global Markets Inc	107,235	9,985,723
Charles Schwab Corp	230,206	12,210,126
LPL Financial Holdings Inc	305,969	31,888,089
MSCI Inc	24,359	10,877,024
		64,960,962
Commercial Services & Supplies – 3.2%		
Cimpress PLC*	150,495	13,204,431
Edenred	256,051	14,526,292
Ritchie Bros Auctioneers Inc	384,093	26,713,668
		54,444,391
Containers & Packaging – 1.2%		
Sealed Air Corp	458,588	20,998,745
Diversified Consumer Services – 1.7%		
frontdoor Inc*	187,787	9,428,785
Terminix Global Holdings Inc*	382,086	19,490,207
		28,918,992
Electric Utilities – 1.2%		
Alliant Energy Corp	401,550	20,691,872
Electrical Equipment – 1.8%		
Sensata Technologies Holding PLC*	585,167	30,861,708
Electronic Equipment, Instruments & Components – 5.8%		
Dolby Laboratories Inc	194,718	18,912,959
Flex Ltd*	1,277,236	22,964,703
National Instruments Corp	431,702	18,968,986
TE Connectivity Ltd	304,091	36,816,297
		97,662,945
Entertainment – 0.5%		
Liberty Media Corp-Liberty Formula One*	191,260	8,147,676
Equity Real Estate Investment Trusts (REITs) – 2.3%		
Crown Castle International Corp	75,290	11,985,415
Lamar Advertising Co	320,195	26,646,628
		38,632,043
Health Care Equipment & Supplies – 8.2%		
Boston Scientific Corp*	745,673	26,806,944
Cooper Cos Inc	90,400	32,844,128
Dentsply Sirona Inc	275,686	14,434,919
ICU Medical Inc*	77,960	16,721,640
STERIS PLC	100,961	19,136,148
Teleflex Inc	39,818	16,387,894

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– (continued)		
Health Care Equipment & Supplies– (continued)		
Varian Medical Systems Inc*	73,230	\$12,815,982
		139,147,655
Hotels, Restaurants & Leisure – 0.9%		
Airbnb Inc - Class A*	13,123	1,926,456
Aramark	339,119	13,049,299
		14,975,755
Information Technology Services – 11.3%		
Amdocs Ltd	375,345	26,623,221
Broadridge Financial Solutions Inc	233,900	35,833,480
Euronet Worldwide Inc*	55,992	8,114,361
Fidelity National Information Services Inc	191,529	27,093,692
Global Payments Inc	150,847	32,495,461
GoDaddy Inc*	388,720	32,244,324
WEX Inc*	140,766	28,650,104
		191,054,643
Insurance – 5.6%		
Aon PLC	166,481	35,172,441
Intact Financial Corp	256,711	30,401,102
Willis Towers Watson PLC	16,509	3,478,116
WR Berkley Corp	374,425	24,869,309
		93,920,968
Internet & Direct Marketing Retail – 0.8%		
DoorDash Inc - Class A*.*	10,853	1,549,266
Wayfair Inc*	50,412	11,383,534
		12,932,800
Life Sciences Tools & Services – 3.9%		
Illumina Inc*	29,834	11,038,580
PerkinElmer Inc	137,887	19,786,785
PRA Health Sciences Inc*	129,967	16,303,061
Waters Corp*	75,921	18,784,374
		65,912,800
Machinery – 3.4%		
Ingersoll Rand Inc*	410,238	18,690,443
Middleby Corp*	75,242	9,700,199
Rexnord Corp	373,230	14,738,853
Wabtec Corp	187,429	13,719,803
		56,849,298
Oil, Gas & Consumable Fuels – 1.3%		
Magellan Midstream Partners LP	514,995	21,856,388
Pharmaceuticals – 3.7%		
Bristol-Myers Squibb Co	147,468	9,147,440
Catalent Inc*	286,462	29,812,100
Elanco Animal Health Inc*	435,020	13,342,063
Royalty Pharma PLC - Class A	207,383	10,379,519
		62,681,122
Professional Services – 2.5%		
CoStar Group Inc*	17,582	16,250,691
IHS Markit Ltd	102,332	9,192,484
Verisk Analytics Inc	77,574	16,103,587
		41,546,762
Road & Rail – 0.9%		
JB Hunt Transport Services Inc	116,212	15,880,370
Semiconductor & Semiconductor Equipment – 9.1%		
KLA Corp	155,536	40,269,826
Lam Research Corp	69,356	32,754,758
Microchip Technology Inc	292,921	40,455,319
NXP Semiconductors NV	64,577	10,268,389
ON Semiconductor Corp*	715,497	23,418,217

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Schedule of Investments

December 31, 2020

	Shares or Principal Amounts	Value
Common Stocks– (continued)		
Semiconductor & Semiconductor Equipment– (continued)		
Xilinx Inc	41,045	\$5,818,950
		152,985,459
Software – 11.5%		
Atlassian Corp PLC*	120,773	28,245,182
Bill.com Holdings Inc*	23,008	3,140,592
Ceridian HCM Holding Inc*	256,849	27,369,829
Constellation Software Inc/Canada	24,642	32,003,814
Dynatrace Inc*	209,197	9,051,954
Nice Ltd (ADR)*	178,687	50,664,912
SS&C Technologies Holdings Inc	606,857	44,148,847
Topicus.com Inc*, ⁶	45,829	0
		194,625,130
Specialty Retail – 2.0%		
Burlington Stores Inc*	42,794	11,192,771
CarMax Inc*	236,022	22,294,638
		33,487,409
Textiles, Apparel & Luxury Goods – 0.8%		
Gildan Activewear Inc	512,198	14,346,666
Trading Companies & Distributors – 0.9%		
Ferguson PLC	126,525	15,384,537
Total Common Stocks (cost \$842,923,489)		1,624,862,827
Investment Companies– 4.0%		
Money Markets – 4.0%		
Janus Henderson Cash Liquidity Fund LLC, 0.1108% ^{9,£} (cost \$67,875,445)	67,872,097	67,878,884
Investments Purchased with Cash Collateral from Securities Lending– 0.2%		
Investment Companies – 0.2%		
Janus Henderson Cash Collateral Fund LLC, 0.0264% ^{9,£}	2,859,857	2,859,857
Time Deposits – 0%		
Canadian Imperial Bank of Commerce, 0.0800%, 1/4/21	\$714,964	714,964
Total Investments Purchased with Cash Collateral from Securities Lending (cost \$3,574,821)		3,574,821
Total Investments (total cost \$914,373,755) – 100.4%		1,696,316,532
Liabilities, net of Cash, Receivables and Other Assets – (0.4)%		(5,953,949)
Net Assets – 100%		\$1,690,362,583

Summary of Investments by Country - (Long Positions) (unaudited)

Country	Value	% of Investment Securities
United States	\$1,472,865,683	86.8%
Canada	103,465,250	6.1
Israel	50,664,912	3.0
Australia	28,245,182	1.7
Ireland	15,207,924	0.9
France	14,526,292	0.8
Denmark	6,841,649	0.4
United Kingdom	4,499,640	0.3
Total	\$1,696,316,532	100.0%

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Schedule of Investments

December 31, 2020

Schedules of Affiliated Investments – (% of Net Assets)

	Dividend Income	Realized Gain/(Loss)	Change in Unrealized Appreciation/ Depreciation	Value at 12/31/20
Investment Companies - 4.0%				
Money Markets - 4.0%				
Janus Henderson Cash Liquidity Fund LLC, 0.1108%	\$ 440,050	\$ 7,164	\$ 5,001	\$ 67,878,884
Investments Purchased with Cash Collateral from Securities Lending - 0.2%				
Investment Companies - 0.2%				
Janus Henderson Cash Collateral Fund LLC, 0.0264%	14,822 ^A	-	-	2,859,857
Total Affiliated Investments - 4.2%	\$ 454,872	\$ 7,164	\$ 5,001	\$ 70,738,741

	Value at 12/31/19	Purchases	Sales Proceeds	Value at 12/31/20
Investment Companies - 4.0%				
Money Markets - 4.0%				
Janus Henderson Cash Liquidity Fund LLC, 0.1108%	106,440,118	211,430,988	(250,004,387)	67,878,884
Investments Purchased with Cash Collateral from Securities Lending - 0.2%				
Investment Companies - 0.2%				
Janus Henderson Cash Collateral Fund LLC, 0.0264%	3,921,920	175,239,006	(176,301,069)	2,859,857

Schedule of Forward Foreign Currency Exchange Contracts, Open

Counterparty/ Foreign Currency	Settlement Date	Foreign Currency Amount (Sold)/ Purchased	USD Currency Amount (Sold)/ Purchased	Market Value and Unrealized Appreciation/ Depreciation
Barclays Capital, Inc.:				
Canadian Dollar	3/4/21	(8,943,000)	\$ 7,036,912	\$ 8,069
Euro	3/4/21	(793,000)	973,115	3,103
Euro	3/4/21	(2,698,000)	3,279,041	(21,200)
				(10,028)
Citibank, National Association:				
Canadian Dollar	3/4/21	(6,127,000)	4,819,943	4,365
Canadian Dollar	3/4/21	(616,000)	479,260	(4,891)
Euro	3/4/21	790,000	(962,865)	3,477
Euro	3/4/21	360,000	(441,321)	(962)
Euro	3/4/21	(10,309,000)	12,539,310	(70,841)

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Schedule of Investments

December 31, 2020

<i>Counterparty/ Foreign Currency</i>	<i>Settlement Date</i>	<i>Foreign Currency Amount (Sold)/ Purchased</i>	<i>USD Currency Amount (Sold)/ Purchased</i>	<i>Market Value and Unrealized Appreciation/ (Depreciation)</i>
				(68,852)
Credit Suisse International:				
Canadian Dollar	3/4/21	(12,427,000)	\$ 9,773,619	6,491
HSBC Securities (USA), Inc.:				
Canadian Dollar	3/4/21	590,000	(458,979)	4,737
Canadian Dollar	3/4/21	(9,402,000)	7,389,680	81
Euro	3/4/21	(5,887,800)	7,164,216	(37,845)
				(33,027)
JPMorgan Chase Bank, National Association:				
Euro	3/4/21	(12,664,000)	15,398,854	(91,974)
Total			\$	(197,390)

The following table, grouped by derivative type, provides information about the fair value and location of derivatives within the Statement of Assets and Liabilities as of December 31, 2020.

Fair Value of Derivative Instruments (not accounted for as hedging instruments) as of December 31, 2020

	<i>Currency Contracts</i>
<i>Asset Derivatives:</i>	
Forward foreign currency exchange contracts	\$ 30,323
<i>Liability Derivatives:</i>	
Forward foreign currency exchange contracts	\$227,713

The following tables provide information about the effect of derivatives and hedging activities on the Portfolio's Statement of Operations for the year ended December 31, 2020.

The effect of Derivative Instruments (not accounted for as hedging instruments) on the Statement of Operations for the year ended December 31, 2020

<i>Amount of Realized Gain/(Loss) Recognized on Derivatives</i>	
	<i>Currency Contracts</i>
<i>Derivative</i>	
Forward foreign currency exchange contracts	\$(2,777,660)

<i>Amount of Change in Unrealized Appreciation/Depreciation Recognized on Derivatives</i>	
	<i>Currency Contracts</i>
<i>Derivative</i>	
Forward foreign currency exchange contracts	\$ 331,453

Please see the "Net Realized Gain/(Loss) on Investments" and "Change in Unrealized Net Appreciation/Depreciation" sections of the Portfolio's Statement of Operations.

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Schedule of Investments

December 31, 2020

Average Ending Monthly Market Value of Derivative Instruments During the Year Ended December 31, 2020

	<i>Market Value^(a)</i>
Forward foreign currency exchange contracts, purchased	\$ 143,878
Forward foreign currency exchange contracts, sold	49,279,682

(a) Forward foreign currency exchange contracts are reported as the average ending monthly currency amount purchased or sold.

See Notes to Schedule of Investments and Other Information and Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Notes to Schedule of Investments and Other Information

Russell Midcap [®] Growth Index	Russell Midcap [®] Growth Index reflects the performance of U.S. mid-cap equities with higher price-to-book ratios and higher forecasted growth values.
ADR	American Depositary Receipt
LLC	Limited Liability Company
LP	Limited Partnership
PLC	Public Limited Company
144A	Securities sold under Rule 144A of the Securities Act of 1933, as amended, are subject to legal and/or contractual restrictions on resale and may not be publicly sold without registration under the 1933 Act. Unless otherwise noted, these securities have been determined to be liquid under guidelines established by the Board of Trustees. The total value of 144A securities as of the year ended December 31, 2020 is \$5,959,765, which represents 0.4% of net assets.
*	Non-income producing security.
°°	Rate shown is the 7-day yield as of December 31, 2020.
#	Loaned security; a portion of the security is on loan at December 31, 2020.
¢	Security is valued using significant unobservable inputs.
£	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.

Janus Henderson VIT Enterprise Portfolio

Notes to Schedule of Investments and Other Information

The following is a summary of the inputs that were used to value the Portfolio's investments in securities and other financial instruments as of December 31, 2020. See Notes to Financial Statements for more information.

Valuation Inputs Summary

	<i>Level 1 - Quoted Prices</i>	<i>Level 2 - Other Significant Observable Inputs</i>	<i>Level 3 - Significant Unobservable Inputs</i>
Assets			
Investments In Securities:			
<i>Common Stocks</i>			
Biotechnology	\$ 42,519,955	\$ 5,959,765	\$ -
Commercial Services & Supplies	39,918,099	14,526,292	-
Software	194,625,130	-	0
Trading Companies & Distributors	-	15,384,537	-
All Other	1,311,929,049	-	-
<i>Investment Companies</i>	-	67,878,884	-
<i>Investments Purchased with Cash Collateral from Securities</i>	-	-	-
<i>Lending</i>	-	3,574,821	-
Total Investments in Securities	\$ 1,588,992,233	\$ 107,324,299	\$ 0
Other Financial Instruments^(a):			
<i>Forward Foreign Currency Exchange Contracts</i>	-	30,323	-
Total Assets	\$ 1,588,992,233	\$ 107,354,622	\$ 0
Liabilities			
Other Financial Instruments^(a):			
<i>Forward Foreign Currency Exchange Contracts</i>	\$ -	\$ 227,713	\$ -

(a) Other financial instruments include forward foreign currency exchange, futures, written options, written swaptions, and swap contracts. Forward foreign currency exchange contracts are reported at their unrealized appreciation/(depreciation) at measurement date, which represents the change in the contract's value from trade date. Futures, certain written options on futures, and centrally cleared swap contracts are reported at their variation margin at measurement date, which represents the amount due to/from the Portfolio at that date. Written options, written swaptions, and other swap contracts are reported at their market value at measurement date.

Janus Henderson VIT Enterprise Portfolio

Statement of Assets and Liabilities

December 31, 2020

Assets:		
Unaffiliated investments, at value ⁽¹⁾⁽²⁾	\$	1,625,577,791
Affiliated investments, at value ⁽³⁾		70,738,741
Forward foreign currency exchange contracts		30,323
Non-interested Trustees' deferred compensation		38,973
Receivables:		
Investments sold		1,829,128
Portfolio shares sold		653,170
Dividends		497,730
Dividends from affiliates		5,751
Other assets		14,648
Total Assets		1,699,386,255
Liabilities:		
Collateral for securities loaned (Note 3)		3,574,821
Forward foreign currency exchange contracts		227,713
Closed foreign currency contracts		253,409
Payables:		
Portfolio shares repurchased		3,520,120
Advisory fees		990,090
12b-1 Distribution and shareholder servicing fees		210,142
Transfer agent fees and expenses		83,839
Professional fees		39,339
Non-interested Trustees' deferred compensation fees		38,973
Affiliated portfolio administration fees payable		3,868
Custodian fees		3,339
Non-interested Trustees' fees and expenses		1,943
Accrued expenses and other payables		76,076
Total Liabilities		9,023,672
Net Assets	\$	1,690,362,583
Net Assets Consist of:		
Capital (par value and paid-in surplus)	\$	751,939,275
Total distributable earnings (loss)		938,423,308
Total Net Assets	\$	1,690,362,583
Net Assets - Institutional Shares	\$	768,141,223
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		8,153,332
Net Asset Value Per Share	\$	94.21
Net Assets - Service Shares	\$	922,221,360
Shares Outstanding, \$0.001 Par Value (unlimited shares authorized)		10,544,256
Net Asset Value Per Share	\$	87.46

(1) Includes cost of \$843,638,453.

(2) Includes \$3,493,848 of securities on loan. See Note 3 in Notes to Financial Statements.

(3) Includes cost of \$70,735,302.

See Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Statement of Operations

For the year ended December 31, 2020

Investment Income:		
Dividends	\$	14,088,850
Dividends from affiliates		440,050
Affiliated securities lending income, net		14,822
Unaffiliated securities lending income, net		1,364
Other income		13
Foreign tax withheld		(197,438)
Total Investment Income		14,347,661
Expenses:		
Advisory fees		9,490,207
12b-1 Distribution and shareholder servicing fees:		
Service Shares		1,948,140
Transfer agent administrative fees and expenses:		
Institutional Shares		351,794
Service Shares		389,628
Other transfer agent fees and expenses:		
Institutional Shares		35,343
Service Shares		18,426
Shareholder reports expense		72,831
Professional fees		51,347
Affiliated portfolio administration fees		37,071
Non-interested Trustees' fees and expenses		27,599
Custodian fees		27,096
Registration fees		25,060
Other expenses		121,710
Total Expenses		12,596,252
Net Investment Income/(Loss)		1,751,409
Net Realized Gain/(Loss) on Investments:		
Investments and foreign currency transactions		155,301,235
Investments in affiliates		7,164
Forward foreign currency exchange contracts		(2,777,660)
Total Net Realized Gain/(Loss) on Investments		152,530,739
Change in Unrealized Net Appreciation/Depreciation:		
Investments, foreign currency translations and non-interested Trustees' deferred compensation		116,436,711
Investments in affiliates		5,001
Forward foreign currency exchange contracts		331,453
Total Change in Unrealized Net Appreciation/Depreciation		116,773,165
Net Increase/(Decrease) in Net Assets Resulting from Operations	\$	271,055,313

See Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Statements of Changes in Net Assets

	<i>Year ended</i> <i>December 31, 2020</i>	<i>Year ended</i> <i>December 31, 2019</i>
Operations:		
Net investment income/(loss)	\$ 1,751,409	\$ 3,462,396
Net realized gain/(loss) on investments	152,530,739	111,811,975
Change in unrealized net appreciation/depreciation	116,773,165	298,949,675
Net Increase/(Decrease) in Net Assets Resulting from Operations	271,055,313	414,224,046
Dividends and Distributions to Shareholders:		
Institutional Shares	(51,851,530)	(41,927,038)
Service Shares	(59,611,141)	(45,398,321)
Net Decrease from Dividends and Distributions to Shareholders	(111,462,671)	(87,325,359)
Capital Share Transactions:		
Institutional Shares	(91,362,702)	50,633,453
Service Shares	9,681,015	68,470,182
Net Increase/(Decrease) from Capital Share Transactions	(81,681,687)	119,103,635
Net Increase/(Decrease) in Net Assets	77,910,955	446,002,322
Net Assets:		
Beginning of period	1,612,451,628	1,166,449,306
End of period	\$ 1,690,362,583	\$ 1,612,451,628

See Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Financial Highlights

Institutional Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$85.46	\$67.02	\$70.65	\$59.27	\$57.33
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	0.20	0.29	0.21	0.11	0.28
Net realized and unrealized gain/(loss)	14.53	23.06	(0.16)	15.67	6.50
Total from Investment Operations	14.73	23.35	0.05	15.78	6.78
Less Dividends and Distributions:					
Dividends (from net investment income)	(0.06)	(0.16)	(0.18)	(0.17)	(0.09)
Distributions (from capital gains)	(5.92)	(4.75)	(3.50)	(4.23)	(4.75)
Total Dividends and Distributions	(5.98)	(4.91)	(3.68)	(4.40)	(4.84)
Net Asset Value, End of Period	\$94.21	\$85.46	\$67.02	\$70.65	\$59.27
Total Return*	19.47%	35.48%	(0.41)%	27.42%	12.36%
Net Assets, End of Period (in thousands)	\$768,141	\$791,044	\$577,477	\$618,750	\$459,250
Average Net Assets for the Period (in thousands)	\$699,442	\$707,052	\$641,390	\$556,940	\$435,190
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.72%	0.72%	0.72%	0.73%	0.72%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.72%	0.72%	0.72%	0.73%	0.72%
Ratio of Net Investment Income/(Loss)	0.25%	0.37%	0.29%	0.17%	0.48%
Portfolio Turnover Rate	16%	14%	14%	14%	20%

Service Shares

For a share outstanding during the year ended December 31	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$79.93	\$63.00	\$66.67	\$56.22	\$54.67
Income/(Loss) from Investment Operations:					
Net investment income/(loss) ⁽¹⁾	— ⁽²⁾	0.09	0.03	(0.05)	0.12
Net realized and unrealized gain/(loss)	13.45	21.63	(0.12)	14.82	6.19
Total from Investment Operations	13.45	21.72	(0.09)	14.77	6.31
Less Dividends and Distributions:					
Dividends (from net investment income)	—	(0.04)	(0.08)	(0.09)	(0.01)
Distributions (from capital gains)	(5.92)	(4.75)	(3.50)	(4.23)	(4.75)
Total Dividends and Distributions	(5.92)	(4.79)	(3.58)	(4.32)	(4.76)
Net Asset Value, End of Period	\$87.46	\$79.93	\$63.00	\$66.67	\$56.22
Total Return*	19.18%	35.14%	(0.65)%	27.09%	12.10%
Net Assets, End of Period (in thousands)	\$922,221	\$821,408	\$588,973	\$555,550	\$419,251
Average Net Assets for the Period (in thousands)	\$773,949	\$734,274	\$612,433	\$489,237	\$373,400
Ratios to Average Net Assets**:					
Ratio of Gross Expenses	0.97%	0.97%	0.97%	0.98%	0.97%
Ratio of Net Expenses (After Waivers and Expense Offsets)	0.97%	0.97%	0.97%	0.98%	0.97%
Ratio of Net Investment Income/(Loss)	0.00% ⁽³⁾	0.12%	0.04%	(0.08)%	0.22%
Portfolio Turnover Rate	16%	14%	14%	14%	20%

* Total return includes adjustments in accordance with generally accepted accounting principles required at the year or period end and are not annualized for periods of less than one full year. Total return does not include fees, charges, or expenses imposed by the variable annuity and life insurance contracts for which Janus Aspen Series serves as an underlying investment vehicle.

** Annualized for periods of less than one full year.

(1) Per share amounts are calculated based on average shares outstanding during the year or period.

(2) Less than \$0.005 on a per share basis.

(3) Less than 0.005%.

See Notes to Financial Statements.

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Janus Henderson VIT Enterprise Portfolio (the "Portfolio") is a series of Janus Aspen Series (the "Trust"), which is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and therefore has applied the specialized accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946. The Trust offers 11 portfolios, each of which offers multiple share classes, with differing investment objectives and policies. The Portfolio seeks long-term growth of capital. The Portfolio is classified as diversified, as defined in the 1940 Act.

The Portfolio currently offers two classes of shares: Institutional Shares and Service Shares. Each class represents an interest in the same portfolio of investments. Institutional Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans. Service Shares are offered only in connection with investment in and payments under variable insurance contracts as well as certain qualified retirement plans that require a fee from Portfolio assets to procure distribution and administrative services to contract owners and plan participants.

Shareholders, including other portfolios, participating insurance companies, as well as accounts, may from time to time own (beneficially or of record) a significant percentage of the Portfolio's Shares and can be considered to "control" the Portfolio when that ownership exceeds 25% of the Portfolio's assets (and which may differ from control as determined in accordance with United States of America generally accepted accounting 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

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

market participants would use in pricing an asset or liability and establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. These inputs are summarized into three broad levels:

Level 1 – Unadjusted quoted prices in active markets the Portfolio has the ability to access for identical assets or liabilities.

Level 2 – Observable inputs other than unadjusted quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Assets or liabilities categorized as Level 2 in the hierarchy generally include: debt securities fair valued in accordance with the evaluated bid or ask prices supplied by a pricing service; securities traded on OTC markets and listed securities for which no sales are reported that are fair valued at the latest bid price (or yield equivalent thereof) obtained from one or more dealers transacting in a market for such securities or by a pricing service approved by the Portfolio's Trustees; certain short-term debt securities with maturities of 60 days or less that are fair valued at amortized cost; and equity securities of foreign issuers whose fair value is determined by using systematic fair valuation models provided by independent third parties in order to adjust for stale pricing which may occur between the close of certain foreign exchanges and the close of the NYSE. Other securities that may be categorized as Level 2 in the hierarchy include, but are not limited to, preferred stocks, bank loans, swaps, investments in unregistered investment companies, options, and forward contracts.

Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Portfolio's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

There have been no significant changes in valuation techniques used in valuing any such positions held by the Portfolio since the beginning of the fiscal year.

The inputs or methodology used for fair valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2020 to fair value the Portfolio's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" in the Notes to Schedule of Investments and Other Information.

Investment Transactions and Investment Income

Investment transactions are accounted for as of the date purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded as soon as the Portfolio is informed of the dividend, if such information is obtained subsequent to the ex-dividend date. Dividends from foreign securities may be subject to withholding taxes in foreign jurisdictions. Interest income is recorded daily on the accrual basis and includes amortization of premiums and accretion of discounts. The Portfolio classifies gains and losses on prepayments received as an adjustment to interest income. Debt securities may be placed in non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivables when collection of all or a portion of interest has become doubtful. Gains and losses are determined on the identified cost basis, which is the same basis used for federal income tax purposes. Income, as well as gains and losses, both realized and unrealized, are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets.

Expenses

The Portfolio bears expenses incurred specifically on its behalf. Each class of shares bears a portion of general expenses, which are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of total net assets. Expenses directly attributable to a specific class of shares are charged against the operations of such class.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

Indemnifications

In the normal course of business, the Portfolio may enter into contracts that contain provisions for indemnification of other parties against certain potential liabilities. The Portfolio's maximum exposure under these arrangements is unknown, and would involve future claims that may be made against the Portfolio that have not yet occurred. Currently, the risk of material loss from such claims is considered remote.

Foreign Currency Translations

The Portfolio does not isolate that portion of the results of operations resulting from the effect of changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held at the date of the financial statements. Net unrealized appreciation or depreciation of investments and foreign currency translations arise from changes in the value of assets and liabilities, including investments in securities held at the date of the financial statements, resulting from changes in the exchange rates and changes in market prices of securities held.

Currency gains and losses are also calculated on payables and receivables that are denominated in foreign currencies. The payables and receivables are generally related to foreign security transactions and income translations.

Foreign currency-denominated assets and forward currency contracts may involve more risks than domestic transactions, including currency risk, counterparty risk, political and economic risk, regulatory risk and equity risk. Risks may arise from unanticipated movements in the value of foreign currencies relative to the U.S. dollar.

Dividends and Distributions

The Portfolio may make semiannual distributions of substantially all of its investment income and an annual distribution of its net realized capital gains (if any).

The Portfolio may make certain investments in real estate investment trusts ("REITs") which pay dividends to their shareholders based upon funds available from operations. It is quite common for these dividends to exceed the REITs' taxable earnings and profits, resulting in the excess portion of such dividends being designated as a return of capital. If the Portfolio distributes such amounts, such distributions could constitute a return of capital to shareholders for federal income tax purposes.

Federal Income Taxes

The Portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income in accordance with the requirements of Subchapter M of the Internal Revenue Code. Management has analyzed the Portfolio's tax positions taken for all open federal income tax years, generally a three-year period, and has concluded that no provision for federal income tax is required in the Portfolio's financial statements. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

2. Derivative Instruments

The Portfolio may invest in various types of derivatives, which may at times result in significant derivative exposure. A derivative is a financial instrument whose performance is derived from the performance of another asset. The Portfolio may invest in derivative instruments including, but not limited to: futures contracts, put options, call options, options on futures contracts, options on foreign currencies, options on recovery locks, options on security and commodity indices, swaps, forward contracts, structured investments, and other equity-linked derivatives. Each derivative instrument that was held by the Portfolio during the year ended December 31, 2020 is discussed in further detail below. A summary of derivative activity by the Portfolio is reflected in the tables at the end of the Schedule of Investments.

The Portfolio may use derivative instruments for hedging purposes (to offset risks associated with an investment, currency exposure, or market conditions), to adjust currency exposure relative to a benchmark index, or for speculative purposes (to earn income and seek to enhance returns). When the Portfolio invests in a derivative for speculative purposes, the Portfolio will be fully exposed to the risks of loss of that derivative, which may sometimes be greater than the derivative's cost. The Portfolio may not use any derivative to gain exposure to an asset or class of assets that it would be prohibited by its investment restrictions from purchasing directly. The Portfolio's ability to use derivative instruments may also be limited by tax considerations.

Investments in derivatives in general are subject to market risks that may cause their prices to fluctuate over time. Investments in derivatives may not directly correlate with the price movements of the underlying instrument. As a result,

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

the use of derivatives may expose the Portfolio to additional risks that it would not be subject to if it invested directly in the securities underlying those derivatives. The use of derivatives may result in larger losses or smaller gains than otherwise would be the case. Derivatives can be volatile and may involve significant risks.

In pursuit of its investment objective, the Portfolio may seek to use derivatives to increase or decrease exposure to the following market risk factors:

- **Commodity Risk** – the risk related to the change in value of commodities or commodity-linked investments due to changes in the overall market movements, volatility of the underlying benchmark, changes in interest rates, or other factors affecting a particular industry or commodity such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.
- **Counterparty Risk** – the risk that the counterparty (the party on the other side of the transaction) on a derivative transaction will be unable to honor its financial obligation to the Portfolio.
- **Credit Risk** – the risk an issuer will be unable to make principal and interest payments when due, or will default on its obligations.
- **Currency Risk** – the risk that changes in the exchange rate between currencies will adversely affect the value (in U.S. dollar terms) of an investment.
- **Equity Risk** – the risk related to the change in value of equity securities as they relate to increases or decreases in the general market.
- **Index Risk** – if the derivative is linked to the performance of an index, it will be subject to the risks associated with changes in that index. If the index changes, the Portfolio could receive lower interest payments or experience a reduction in the value of the derivative to below what the Portfolio paid. Certain indexed securities, including inverse securities (which move in an opposite direction to the index), may create leverage, to the extent that they increase or decrease in value at a rate that is a multiple of the changes in the applicable index.
- **Interest Rate Risk** – the risk that the value of fixed-income securities will generally decline as prevailing interest rates rise, which may cause the Portfolio's NAV to likewise decrease.
- **Leverage Risk** – the risk associated with certain types of leveraged investments or trading strategies pursuant to which relatively small market movements may result in large changes in the value of an investment. The Portfolio creates leverage by investing in instruments, including derivatives, where the investment loss can exceed the original amount invested. Certain investments or trading strategies, such as short sales, that involve leverage can result in losses that greatly exceed the amount originally invested.
- **Liquidity Risk** – the risk that certain securities may be difficult or impossible to sell at the time that the seller would like or at the price that the seller believes the security is currently worth.

Derivatives may generally be traded OTC or on an exchange. Derivatives traded OTC are agreements that are individually negotiated between parties and can be tailored to meet a purchaser's needs. OTC derivatives are not guaranteed by a clearing agency and may be subject to increased credit risk.

In an effort to mitigate credit risk associated with derivatives traded OTC, the Portfolio may enter into collateral agreements with certain counterparties whereby, subject to certain minimum exposure requirements, the Portfolio may require the counterparty to post collateral if the Portfolio has a net aggregate unrealized gain on all OTC derivative contracts with a particular counterparty. Additionally, the Portfolio may deposit cash and/or treasuries as collateral with the counterparty and/or custodian daily (based on the daily valuation of the financial asset) if the Portfolio has a net aggregate unrealized loss on OTC derivative contracts with a particular counterparty. All liquid securities and restricted cash are considered to cover in an amount at all times equal to or greater than the Portfolio's commitment with respect to certain exchange-traded derivatives, centrally cleared derivatives, forward foreign currency exchange contracts, short sales, and/or securities with extended settlement dates. There is no guarantee that counterparty exposure is reduced and these arrangements are dependent on Janus Capital Management LLC's ("Janus Capital") ability to establish and maintain appropriate systems and trading.

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

Forward Foreign Currency Exchange Contracts

A forward foreign currency exchange contract ("forward currency contract") is an obligation to buy or sell a specified currency at a future date at a negotiated rate (which may be U.S. dollars or a foreign currency). The Portfolio may enter into forward currency contracts for hedging purposes, including, but not limited to, reducing exposure to changes in foreign currency exchange rates on foreign portfolio holdings and locking in the U.S. dollar cost of firm purchase and sale commitments for securities denominated in or exposed to foreign currencies. The Portfolio may also invest in forward currency contracts for non-hedging purposes such as seeking to enhance returns. The Portfolio is subject to currency risk and counterparty risk in the normal course of pursuing its investment objective through its investments in forward currency contracts.

Forward currency contracts are valued by converting the foreign value to U.S. dollars by using the current spot U.S. dollar exchange rate and/or forward rate for that currency. Exchange and forward rates as of the close of the NYSE shall be used to value the forward currency contracts. The unrealized appreciation/(depreciation) for forward currency contracts is reported in the Statement of Assets and Liabilities as a receivable or payable and in the Statement of Operations for the change in unrealized net appreciation/depreciation (if applicable). The gain or loss arising from the difference between the U.S. dollar cost of the original contract and the value of the foreign currency in U.S. dollars upon closing a forward currency contract is reported on the Statement of Operations (if applicable).

During the year, the Portfolio entered into forward currency contracts with the obligation to sell foreign currencies in the future at an agreed upon rate in order to decrease exposure to currency risk associated with foreign currency denominated securities held by the Portfolio.

3. Other Investments and Strategies

Additional Investment Risk

In the aftermath of the 2007-2008 financial crisis, the financial sector experienced reduced liquidity in credit and other fixed-income markets, and an unusually high degree of volatility, both domestically and internationally. In response to the crisis, the United States and certain foreign governments, along with the U.S. Federal Reserve and certain foreign central banks, took a number of unprecedented steps designed to support the financial markets. For example, the enactment of the Dodd-Frank Act in 2010 provided for widespread regulation of financial institutions, consumer financial products and services, broker-dealers, over-the-counter derivatives, investment advisers, credit rating agencies, and mortgage lending, which expanded federal oversight in the financial sector, including the investment management industry. More recently, in response to the COVID-19 pandemic, the U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets, including reducing interest rates to record-low levels. Extremely low or negative interest rates may become more prevalent or may not work as intended. As there is little precedent for this situation, the impact on various markets that interest rate or other significant policy changes may have is unknown. The withdrawal of this support, a failure of measures put in place in response to such economic uncertainty, or investor perception that such efforts were not sufficient could each negatively affect financial markets generally, and the value and liquidity of specific securities. In addition, policy and legislative changes in the United States and in other countries continue to impact many aspects of financial regulation.

Widespread disease, including pandemics and epidemics, and natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Fund's investments. Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries, including the United States. These disruptions could prevent a Fund from executing advantageous investment decisions in a timely manner and negatively impact a Fund's ability to achieve its investment objective(s). Any such event(s) could have a significant adverse impact on the value of a Fund. In addition, these disruptions could also impair the information technology and other operational systems upon which the Fund's service providers, including Janus Capital or the subadviser (as applicable), rely, and could otherwise disrupt the ability of employees of the Fund's service providers to perform essential tasks on behalf of the Fund. Adverse weather conditions may also have a particularly significant negative effect on issuers in the agricultural sector and on insurance and reinsurance companies that insure or reinsure against the impact of natural disasters.

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Notes to Financial Statements

A number of countries in the European Union (the "EU") have experienced, and may continue to experience, severe economic and financial difficulties. In particular, many EU nations are susceptible to economic risks associated with high levels of debt. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts. Many other issuers have faced difficulties obtaining credit or refinancing existing obligations. Financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit. As a result, financial markets in the EU have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen, or spread further within the EU. Responses to these financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest, and may limit future growth and economic recovery or have other unintended consequences. The risk of investing in securities in the European markets may also be heightened due to the referendum in which the United Kingdom voted to exit the EU, commonly known as "Brexit," which immediately led to significant market volatility around the world, as well as political, economic and legal uncertainty. The United Kingdom formally left the EU on January 31, 2020 and entered into an eleven-month transition period, which expired on December 31, 2020. The negative impact on not only the United Kingdom and European economies could be significant, potentially resulting in increased volatility and illiquidity and lower economic growth for companies that rely significantly on the United Kingdom and/or Europe for their business activities and revenues. Any further exits from the EU, or an increase in the belief that such exits are likely or possible, would likely cause additional market disruption globally and introduce new legal and regulatory uncertainties.

Counterparties

Portfolio transactions involving a counterparty are subject to the risk that the counterparty or a third party will not fulfill its obligation to the Portfolio ("counterparty risk"). Counterparty risk may arise because of the counterparty's financial condition (i.e., financial difficulties, bankruptcy, or insolvency), market activities and developments, or other reasons, whether foreseen or not. A counterparty's inability to fulfill its obligation may result in significant financial loss to the Portfolio. The Portfolio may be unable to recover its investment from the counterparty or may obtain a limited recovery, and/or recovery may be delayed. The extent of the Portfolio's exposure to counterparty risk with respect to financial assets and liabilities approximates its carrying value. See the "Offsetting Assets and Liabilities" section of this Note for further details.

The Portfolio may be exposed to counterparty risk through participation in various programs, including, but not limited to, lending its securities to third parties, cash sweep arrangements whereby the Portfolio's cash balance is invested in one or more types of cash management vehicles, as well as investments in, but not limited to, repurchase agreements, debt securities, and derivatives, including various types of swaps, futures and options. The Portfolio intends to enter into financial transactions with counterparties that Janus Capital believes to be creditworthy at the time of the transaction. There is always the risk that Janus Capital's analysis of a counterparty's creditworthiness is incorrect or may change due to market conditions. To the extent that the Portfolio focuses its transactions with a limited number of counterparties, it will have greater exposure to the risks associated with one or more counterparties.

Offsetting Assets and Liabilities

The Portfolio presents gross and net information about transactions that are either offset in the financial statements or subject to an enforceable master netting arrangement or similar agreement with a designated counterparty, regardless of whether the transactions are actually offset in the Statement of Assets and Liabilities.

In order to better define its contractual rights and to secure rights that will help the Portfolio mitigate its counterparty risk, the Portfolio has entered into an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement with its derivative contract counterparties. An ISDA Master Agreement is a bilateral agreement between the Portfolio and a counterparty that governs OTC derivatives and forward foreign currency exchange contracts and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. Under an ISDA Master Agreement, in the event of a default and/or termination event, the Portfolio may offset with each counterparty certain derivative financial instruments' payables and/or receivables with collateral held and/or posted and create one single net payment.

The following tables present gross amounts of recognized assets and/or liabilities and the net amounts after deducting collateral that has been pledged by counterparties or has been pledged to counterparties (if applicable). For corresponding information grouped by type of instrument, see the "Fair Value of Derivative Instruments (not accounted for as hedging instruments) as of December 31, 2020" table located in the Portfolio's Schedule of Investments.

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

Offsetting of Financial Assets and Derivative Assets

<i>Counterparty</i>		<i>Gross Amounts of Recognized Assets</i>		<i>Offsetting Asset or Liability^(a)</i>		<i>Collateral Pledged^(b)</i>		<i>Net Amount</i>
Barclays Capital, Inc.	\$	11,172	\$	(11,172)	\$	—	\$	—
Citibank, National Association		7,842		(7,842)		—		—
Credit Suisse International		6,491		—		—		6,491
HSBC Securities (USA), Inc.		4,818		(4,818)		—		—
JPMorgan Chase Bank, National Association		3,493,848		—		(3,493,848)		—
Total	\$	3,524,171	\$	(23,832)	\$	(3,493,848)	\$	6,491

Offsetting of Financial Liabilities and Derivative Liabilities

<i>Counterparty</i>		<i>Gross Amounts of Recognized Liabilities</i>		<i>Offsetting Asset or Liability^(a)</i>		<i>Collateral Pledged^(b)</i>		<i>Net Amount</i>
Barclays Capital, Inc.	\$	21,200	\$	(11,172)	\$	—	\$	10,028
Citibank, National Association		76,694		(7,842)		—		68,852
HSBC Securities (USA), Inc.		37,845		(4,818)		—		33,027
JPMorgan Chase Bank, National Association		91,974		—		—		91,974
Total	\$	227,713	\$	(23,832)	\$	—	\$	203,881

(a) Represents the amount of assets or liabilities that could be offset with the same counterparty under master netting or similar agreements that management elects not to offset on the Statement of Assets and Liabilities.

(b) Collateral pledged is limited to the net outstanding amount due to/from an individual counterparty. The actual collateral amounts pledged may exceed these amounts and may fluctuate in value.

JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. For financial reporting purposes, the Portfolio does not offset financial instruments' payables and receivables and related collateral on the Statement of Assets and Liabilities. Securities on loan will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the Securities and Exchange Commission (the "SEC"). See "Securities Lending" in the "Notes to Financial Statements" for additional information.

The Portfolio generally does not exchange collateral on its forward foreign currency contracts with its counterparties; however, all liquid securities and restricted cash are considered to cover in an amount at all times equal to or greater than the Portfolio's commitment with respect to these contracts. Certain securities may be segregated at the Portfolio's custodian. These segregated securities are denoted on the accompanying Schedule of Investments and are evaluated daily to ensure their cover and/or market value equals or exceeds the Portfolio's corresponding forward foreign currency exchange contract's obligation value.

The Portfolio may require the counterparty to pledge securities as collateral daily (based on the daily valuation of the financial asset) if the Portfolio has a net aggregate unrealized gain on OTC derivative contracts with a particular

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

counterparty. The Portfolio may deposit cash as collateral with the counterparty and/or custodian daily (based on the daily valuation of the financial asset) if the Portfolio has a net aggregate unrealized loss on OTC derivative contracts with a particular counterparty. The collateral amounts are subject to minimum exposure requirements and initial margin requirements. Collateral amounts are monitored and subsequently adjusted up or down as valuations fluctuate by at least the minimum exposure requirement. Collateral may reduce the risk of loss.

Real Estate Investing

The Portfolio may invest in equity and debt securities of real estate-related companies. Such companies may include those in the real estate industry or real estate-related industries. These securities may include common stocks, corporate bonds, preferred stocks, and other equity securities, including, but not limited to, mortgage-backed securities, real estate-backed securities, securities of REITs and similar REIT-like entities. A REIT is a trust that invests in real estate-related projects, such as properties, mortgage loans, and construction loans. REITs are generally categorized as equity, mortgage, or hybrid REITs. A REIT may be listed on an exchange or traded OTC.

Securities Lending

Under procedures adopted by the Trustees, the Portfolio may seek to earn additional income by lending securities to certain qualified broker-dealers and institutions. JPMorgan Chase Bank, National Association acts as securities lending agent and a limited purpose custodian or subcustodian to receive and disburse cash balances and cash collateral, hold short-term investments, hold collateral, and perform other custodial functions in accordance with the Non-Custodial Securities Lending Agreement. The Portfolio may lend portfolio securities in an amount equal to up to 1/3 of its total assets as determined at the time of the loan origination. There is the risk of delay in recovering a loaned security or the risk of loss in collateral rights if the borrower fails financially. In addition, Janus Capital makes efforts to balance the benefits and risks from granting such loans. All loans will be continuously secured by collateral which may consist of cash, U.S. Government securities, domestic and foreign short-term debt instruments, letters of credit, time deposits, repurchase agreements, money market mutual funds or other money market accounts, or such other collateral as permitted by the SEC. If the Portfolio is unable to recover a security on loan, the Portfolio may use the collateral to purchase replacement securities in the market. There is a risk that the value of the collateral could decrease below the cost of the replacement security by the time the replacement investment is made, resulting in a loss to the Portfolio. In certain circumstances individual loan transactions could yield negative returns.

Upon receipt of cash collateral, Janus Capital may invest it in affiliated or non-affiliated cash management vehicles, whether registered or unregistered entities, as permitted by the 1940 Act and rules promulgated thereunder. Janus Capital currently intends to primarily invest the cash collateral in a cash management vehicle for which Janus Capital serves as investment adviser, Janus Henderson Cash Collateral Fund LLC, or in time deposits. An investment in Janus Henderson Cash Collateral Fund LLC is generally subject to the same risks that shareholders experience when investing in similarly structured vehicles, such as the potential for significant fluctuations in assets as a result of the purchase and redemption activity of the securities lending program, a decline in the value of the collateral, and possible liquidity issues. Such risks may delay the return of the cash collateral and cause the Portfolio to violate its agreement to return the cash collateral to a borrower in a timely manner. As adviser to the Portfolio and Janus Henderson Cash Collateral Fund LLC, Janus Capital has an inherent conflict of interest as a result of its fiduciary duties to both the Portfolio and Janus Henderson Cash Collateral Fund LLC. Additionally, Janus Capital receives an investment advisory fee of 0.05% for managing Janus Henderson Cash Collateral Fund LLC, but it may not receive a fee for managing certain other affiliated cash management vehicles in which the Portfolio may invest, and therefore may have an incentive to allocate preferred investment opportunities to investment vehicles for which it is receiving a fee.

The value of the collateral must be at least 102% of the market value of the loaned securities that are denominated in U.S. dollars and 105% of the market value of the loaned securities that are not denominated in U.S. dollars. Loaned securities and related collateral are marked-to-market each business day based upon the market value of the loaned securities at the close of business, employing the most recent available pricing information. Collateral levels are then adjusted based on this mark-to-market evaluation.

The cash collateral invested by Janus Capital is disclosed in the Schedule of Investments (if applicable).

Income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to the lending agent are included as "Affiliated securities lending income, net" on the Statement of Operations. As of December 31, 2020, securities lending transactions accounted for as secured borrowings with an overnight and

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

continuous contractual maturity are \$3,493,848. Gross amounts of recognized liabilities for securities lending (collateral received) as of December 31, 2020 is \$3,574,821, resulting in the net amount due to the counterparty of \$80,973.

4. Investment Advisory Agreements and Other Transactions with Affiliates

The Portfolio pays Janus Capital an investment advisory fee which is calculated daily and paid monthly. The Portfolio's contractual investment advisory fee rate (expressed as an annual rate) is 0.64% of its average daily net assets.

Janus Services LLC ("Janus Services"), a wholly-owned subsidiary of Janus Capital, is the Portfolio's transfer agent. Janus Services receives an administrative services fee at an annual rate of 0.05% of the average daily net assets of the Portfolio for arranging for the provision by participating insurance companies and qualified plan service providers of administrative services, including recordkeeping, subaccounting, order processing, or other shareholder services provided on behalf of contract holders or plan participants investing in the Portfolio. Other shareholder services may include the provision of order confirmations, periodic account statements, forwarding prospectuses, shareholder reports, and other materials to existing investors, and answering inquiries regarding accounts. Janus Services expects to use this entire fee to compensate insurance companies and qualified plan service providers for providing these services to their customers who invest in the Portfolio. Any unused portion will be reimbursed to the applicable share class at least annually.

In addition, Janus Services provides or arranges for the provision of certain other internal administrative, recordkeeping, and shareholder relations services for the Portfolio. Janus Services is not compensated for these internal services related to the shares, except for out-of-pocket costs. These amounts are disclosed as "Other transfer agent fees and expenses" on the Statement of Operations.

Under a distribution and shareholder servicing plan (the "Plan") adopted in accordance with Rule 12b-1 under the 1940 Act, the Service Shares may pay the Trust's distributor, Janus Distributors LLC ("Janus Distributors"), a wholly-owned subsidiary of Janus Capital, a fee for the sale and distribution and/or shareholder servicing of the Service Shares at an annual rate of up to 0.25% of the average daily net assets of the Service Shares. Under the terms of the Plan, the Trust is authorized to make payments to Janus Distributors for remittance to insurance companies and qualified plan service providers as compensation for distribution and/or shareholder services performed by such entities. These amounts are disclosed as "12b-1 Distribution and shareholder servicing fees" on the Statement of Operations. Payments under the Plan are not tied exclusively to actual 12b-1 distribution and servicing fees, and the payments may exceed 12b-1 distribution and servicing fees actually incurred. If any of the Portfolio's actual 12b-1 distribution and servicing fees incurred during a calendar year are less than the payments made during a calendar year, the Portfolio will be refunded the difference. Refunds, if any, are included in "12b-1 Distribution and shareholder servicing fees" in the Statement of Operations.

Janus Capital serves as administrator to the Portfolio pursuant to an administration agreement between Janus Capital and the Trust. Under the administration agreement, Janus Capital is obligated to provide or arrange for the provision of certain administration, compliance, and accounting services to the Portfolio, including providing office space for the Portfolio, and is reimbursed by the Portfolio for certain of its costs in providing these services (to the extent Janus Capital seeks reimbursement and such costs are not otherwise waived). In addition, employees of Janus Capital and/or its affiliates may serve as officers of the Trust. The Portfolio pays for some or all of the salaries, fees, and expenses of Janus Capital employees and Portfolio officers, with respect to certain specified administration functions they perform on behalf of the Portfolio. The Portfolio pays these costs based on out-of-pocket expenses incurred by Janus Capital, and these costs are separate and apart from advisory fees and other expenses paid in connection with the investment advisory services Janus Capital (or any subadvisor, as applicable) provides to the Portfolio. These amounts are disclosed as "Affiliated portfolio administration fees" on the Statement of Operations. In addition, some expenses related to compensation payable to the Portfolio's Chief Compliance Officer and certain compliance staff, all of whom are employees of Janus Capital and/or its affiliates, are shared with the Portfolio. Total compensation of \$34,973 was paid to the Chief Compliance Officer and certain compliance staff by the Trust during the year ended December 31, 2020. The Portfolio's portion is reported as part of "Other expenses" on the Statement of Operations.

The Board of Trustees has adopted a deferred compensation plan (the "Deferred Plan") for independent Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from the Portfolio. All deferred fees are credited to an account established in the name of the Trustees. The amounts credited to the account then increase or decrease, as the case may be, in accordance with the performance of one or more of the Janus Henderson funds that are selected by the Trustees. The account balance continues to fluctuate in accordance with the

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

performance of the selected fund or funds until final payment of all amounts are credited to the account. The fluctuation of the account balance is recorded by the Portfolio as unrealized appreciation/(depreciation) and is included as of December 31, 2020 on the Statement of Assets and Liabilities in the asset, "Non-interested Trustees' deferred compensation," and liability, "Non-interested Trustees' deferred compensation fees." Additionally, the recorded unrealized appreciation/(depreciation) is included in "Total distributable earnings (loss)" on the Statement of Assets and Liabilities. Deferred compensation expenses for the year ended December 31, 2020 are included in "Non-interested Trustees' fees and expenses" on the Statement of Operations. Trustees are allowed to change their designation of mutual funds from time to time. Amounts will be deferred until distributed in accordance with the Deferred Plan. Deferred fees of \$471,450 were paid by the Trust to the Trustees under the Deferred Plan during the year ended December 31, 2020.

Pursuant to the provisions of the 1940 Act and related rules, the Portfolio may participate in an affiliated or non-affiliated cash sweep program. In the cash sweep program, uninvested cash balances of the Portfolio may be used to purchase shares of affiliated or non-affiliated money market funds or cash management pooled investment vehicles that operate as money market funds. The Portfolio is eligible to participate in the cash sweep program (the "Investing Funds"). As adviser, Janus Capital has an inherent conflict of interest because of its fiduciary duties to the affiliated money market funds or cash management pooled investment vehicles and the Investing Funds. Janus Henderson Cash Liquidity Fund LLC (the "Sweep Vehicle") is an affiliated unregistered cash management pooled investment vehicle that invests primarily in highly-rated short-term fixed-income securities. The Sweep Vehicle operates pursuant to the provisions of the 1940 Act that govern the operation of money market funds and prices its shares at NAV reflecting market-based values of its portfolio securities (i.e., a "floating" NAV) rounded to the fourth decimal place (e.g., \$1.0000). The Sweep Vehicle is permitted to impose a liquidity fee (of up to 2%) on redemptions from the Sweep Vehicle or a redemption gate that temporarily suspends redemptions from the Sweep Vehicle for up to 10 business days during a 90 day period. There are no restrictions on the Portfolio's ability to withdraw investments from the Sweep Vehicle at will, and there are no unfunded capital commitments due from the Portfolio to the Sweep Vehicle. The Sweep Vehicle does not charge any management fee, sales charge or service fee.

Any purchases and sales, realized gains/losses and recorded dividends from affiliated investments during the year ended December 31, 2020 can be found in the "Schedules of Affiliated Investments" located in the Schedule of Investments.

The Portfolio is permitted to purchase or sell securities ("cross-trade") between itself and other funds or accounts managed by Janus Capital in accordance with Rule 17a-7 under the Investment Company Act of 1940 ("Rule 17a-7"), when the transaction is consistent with the investment objectives and policies of the Portfolio and in accordance with the Internal Cross Trade Procedures adopted by the Trust's Board of Trustees. These procedures have been designed to ensure that any cross-trade of securities by the Portfolio from or to another fund or account that is or could be considered an affiliate of the Portfolio under certain limited circumstances by virtue of having a common investment adviser, common Officer, or common Trustee complies with Rule 17a-7. Under these procedures, each cross-trade is effected at the current market price to save costs where allowed. During the year ended December 31, 2020, the Portfolio engaged in cross trades amounting to \$37,688 in purchases and \$1,255,713 in sales, resulting in a net realized gain of \$207,533. The net realized gain is included within the "Net Realized Gain/(Loss) on Investments" section of the Portfolio's Statement of Operations.

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

5. Federal Income Tax

The tax components of capital shown in the table below represent: (1) distribution requirements the Portfolio must satisfy under the income tax regulations; (2) losses or deductions the Portfolio may be able to offset against income and gains realized in future years; and (3) unrealized appreciation or depreciation of investments for federal income tax purposes.

Other book to tax differences primarily consist of deferred compensation, derivatives, and foreign currency contract adjustments. The Portfolio has elected to treat gains and losses on forward foreign currency contracts as capital gains and losses, if applicable. Other foreign currency gains and losses on debt instruments are treated as ordinary income for federal income tax purposes pursuant to Section 988 of the Internal Revenue Code.

<i>Undistributed Ordinary Income</i>	<i>Undistributed Long-Term Gains</i>	<i>Accumulated Capital Losses</i>	<i>Loss Deferrals</i>		<i>Other Book to Tax Differences</i>	<i>Net Tax Appreciation/ (Depreciation)</i>
			<i>Late-Year Ordinary Loss</i>	<i>Post-October Capital Loss</i>		
\$ 4,092,543	\$ 152,888,587	\$ -	\$ -	\$ -	\$ (36,892)	\$781,479,070

The aggregate cost of investments and the composition of unrealized appreciation and depreciation of investment securities for federal income tax purposes as of December 31, 2020 are noted below. The primary differences between book and tax appreciation or depreciation of investments are wash sale loss deferrals, investments in partnerships, and investments in passive foreign investment companies.

<i>Federal Tax Cost</i>	<i>Unrealized Appreciation</i>	<i>Unrealized (Depreciation)</i>	<i>Net Tax Appreciation/ (Depreciation)</i>
\$ 914,837,462	\$785,904,845	\$ (4,425,775)	\$ 781,479,070

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

Information on the tax components of derivatives as of December 31, 2020 is as follows:

<i>Federal Tax Cost</i>	<i>Unrealized Appreciation</i>	<i>Unrealized (Depreciation)</i>	<i>Net Tax Appreciation/ (Depreciation)</i>
\$ (197,390)	\$ -	\$ -	\$ -

Tax cost of investments and unrealized appreciation/(depreciation) may also include timing differences that do not constitute adjustments to tax basis.

Income and capital gains distributions are determined in accordance with income tax regulations that may differ from US GAAP. These differences are due to differing treatments for items such as net short-term gains, deferral of wash sale losses, foreign currency transactions, passive foreign investment companies, and capital loss carryovers. Certain permanent differences such as tax returns of capital and net investment losses noted below have been reclassified to capital.

For the year ended December 31, 2020

<i>Distributions</i>			
<i>From Ordinary Income</i>	<i>From Long-Term Capital Gains</i>	<i>Tax Return of Capital</i>	<i>Net Investment Loss</i>
\$ 1,166,288	\$ 110,296,383	\$ -	\$ -

For the year ended December 31, 2019

<i>Distributions</i>			
<i>From Ordinary Income</i>	<i>From Long-Term Capital Gains</i>	<i>Tax Return of Capital</i>	<i>Net Investment Loss</i>
\$ 1,802,648	\$ 85,522,711	\$ -	\$ -

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:

<i>Increase/(Decrease) to Capital</i>	<i>Increase/(Decrease) to Undistributed Net Investment Income/Loss</i>	<i>Increase/(Decrease) to Undistributed Net Realized Gain/Loss</i>
\$ -	\$ (2,050,599)	\$ 2,050,599

6. Capital Share Transactions

	<i>Year ended December 31, 2020</i>		<i>Year ended December 31, 2019</i>	
	<i>Shares</i>	<i>Amount</i>	<i>Shares</i>	<i>Amount</i>
Institutional Shares:				
Shares sold	962,490	\$ 74,261,046	1,542,514	\$123,201,744
Reinvested dividends and distributions	726,925	51,851,530	533,515	41,927,038
Shares repurchased	(2,792,786)	(217,475,278)	(1,435,966)	(114,495,329)
Net Increase/(Decrease)	(1,103,371)	\$ (91,362,702)	640,063	\$ 50,633,453
Service Shares:				
Shares sold	2,291,089	\$163,267,970	2,323,035	\$172,829,765
Reinvested dividends and distributions	898,977	59,611,141	617,488	45,398,321
Shares repurchased	(2,922,142)	(213,198,096)	(2,013,680)	(149,757,904)
Net Increase/(Decrease)	267,924	\$ 9,681,015	926,843	\$ 68,470,182

Janus Henderson VIT Enterprise Portfolio

Notes to Financial Statements

7. Purchases and Sales of Investment Securities

For the year ended December 31, 2020, the aggregate cost of purchases and proceeds from sales of investment securities (excluding any short-term securities, short-term options contracts, TBAs, and in-kind transactions, as applicable) was as follows:

<i>Purchases of Securities</i>	<i>Proceeds from Sales of Securities</i>	<i>Purchases of Long- Term U.S. Government Obligations</i>	<i>Proceeds from Sales of Long-Term U.S. Government Obligations</i>
\$218,372,268	\$ 373,801,530	\$ -	\$ -

8. Subsequent Event

Management has evaluated whether any events or transactions occurred subsequent to December 31, 2020 and through the date of issuance of the Portfolio's financial statements and determined that there were no material events or transactions that would require recognition or disclosure in the Portfolio's financial statements.

Janus Henderson VIT Enterprise Portfolio

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Janus Aspen Series and Shareholders of Janus Henderson VIT Enterprise Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Janus Henderson VIT Enterprise Portfolio (one of the portfolios constituting Janus Aspen Series, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statements of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.



Denver, Colorado
February 16, 2021

We have served as the auditor of one or more investment companies in Janus Henderson Funds since 1990.

Janus Henderson VIT Enterprise Portfolio

Additional Information (unaudited)

Proxy Voting Policies and Voting Record

A description of the policies and procedures that the Portfolio uses to determine how to vote proxies relating to its portfolio securities is available without charge: (i) upon request, by calling 1-800-525-1093; (ii) on the Portfolio's website at janushenderson.com/proxyvoting; and (iii) on the SEC's website at <http://www.sec.gov>. Additionally, information regarding the Portfolio's proxy voting record for the most recent twelve-month period ended June 30 is also available, free of charge, through janushenderson.com/proxyvoting and from the SEC's website at <http://www.sec.gov>.

Full Holdings

The Portfolio files its complete portfolio holdings (schedule of investments) with the SEC as an exhibit to Form N-PORT within 60 days of the end of the first and third fiscal quarters, and in the annual report and semiannual report to shareholders. The Portfolio's Form N-PORT filings and annual and semiannual reports: (i) are available on the SEC's website at <http://www.sec.gov>; (ii) may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. (information on the Public Reference Room may be obtained by calling 1-800-SEC-0330); and (iii) are available without charge, upon request, by calling a Janus Henderson representative at 1-877-335-2687 (toll free). Portfolio holdings consisting of at least the names of the holdings are generally available on a monthly basis with a 30-day lag under Full Holdings for the Portfolio at janushenderson.com/vit.

APPROVAL OF ADVISORY AGREEMENTS DURING THE PERIOD

The Trustees of Janus Aspen Series, each of whom serves as an "independent" Trustee (the "Trustees"), oversee the management of each Portfolio of Janus Aspen Series (each, a "VIT Portfolio," and collectively, the "VIT Portfolios"), as well as each Fund of Janus Investment Fund (together with the VIT Portfolios, the "Janus Henderson Funds," and each, a "Janus Henderson Fund"). As required by law, the Trustees determine annually whether to continue the investment advisory agreement for each Janus Henderson Fund and the subadvisory agreements for the Janus Henderson Funds that utilize subadvisers.

In connection with their most recent consideration of those agreements for each Janus Henderson Fund, the Trustees received, and reviewed information provided by Janus Capital and the respective subadvisers in response to requests of the Trustees and their independent legal counsel. They also received and reviewed information and analysis provided by, and in response to requests of, their independent fee consultant. Throughout their consideration of the agreements, the Trustees were advised by their independent legal counsel. The Trustees met with management to consider the agreements, and also met separately in executive session with their independent legal counsel and their independent fee consultant.

At a meeting held on December 9, 2020, based on the Trustees' evaluation of the information provided by Janus Capital, the subadvisers, and the independent fee consultant, as well as other information, the Trustees determined that the overall arrangements between each Janus Henderson Fund and Janus Capital and each subadviser, as applicable, were fair and reasonable in light of the nature, extent and quality of the services provided by Janus Capital, its affiliates and the subadvisers, the fees charged for those services, and other matters that the Trustees considered relevant in the exercise of their business judgment. At that meeting, the Trustees unanimously approved the continuation of the investment advisory agreement for each Janus Henderson Fund, and the subadvisory agreement for each subadvised Janus Henderson Fund, for the period from February 1, 2021 through February 1, 2022, subject to earlier termination as provided for in each agreement.

In considering the continuation of those agreements, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Trustees' determination to approve the continuation of the agreements are discussed separately below. Also included is a summary of the independent fee consultant's conclusions and opinions that arose during, and were included as part of, the Trustees' consideration of the agreements. "Management fees," as used herein, reflect actual annual advisory fees and, for the purpose of peer comparisons any administration fees (excluding out of pocket costs), net of any waivers, paid by a fund as a percentage of average net assets.

Nature, Extent and Quality of Services

The Trustees reviewed the nature, extent and quality of the services provided by Janus Capital and the subadvisers to the Janus Henderson Funds, taking into account the investment objective, strategies and policies of each Janus Henderson Fund, and the knowledge the Trustees gained from their regular meetings with management on at least a

Janus Henderson VIT Enterprise Portfolio

Additional Information (unaudited)

quarterly basis and their ongoing review of information related to the Janus Henderson Funds. In addition, the Trustees reviewed the resources and key personnel of Janus Capital and each subadviser, particularly noting those employees who provide investment and risk management services to the Janus Henderson Funds. The Trustees also considered other services provided to the Janus Henderson Funds by Janus Capital or the subadvisers, such as managing the execution of portfolio transactions and the selection of broker-dealers for those transactions. The Trustees considered Janus Capital's role as administrator to the Janus Henderson Funds, noting that Janus Capital generally does not receive a fee for its services but is reimbursed for its out-of-pocket costs. The Trustees considered the role of Janus Capital in monitoring adherence to the Janus Henderson Funds' investment restrictions, providing support services for the Trustees and Trustee committees, and overseeing communications with shareholders and the activities of other service providers, including monitoring compliance with various policies and procedures of the Janus Henderson Funds and with applicable securities laws and regulations.

In this regard, the independent fee consultant noted that Janus Capital provides a number of different services for the Janus Henderson Funds and fund shareholders, ranging from investment management services to various other servicing functions, and that, in its view, Janus Capital is a capable provider of those services. The independent fee consultant also provided its belief that Janus Capital has developed a number of institutional competitive advantages that should enable it to provide superior investment and service performance over the long term.

The Trustees concluded that the nature, extent and quality of the services provided by Janus Capital or the subadviser to each Janus Henderson Fund were appropriate and consistent with the terms of the respective advisory and subadvisory agreements, and that, taking into account steps taken to address those Janus Henderson Funds whose performance lagged that of their peers for certain periods, the Janus Henderson Funds were likely to benefit from the continued provision of those services. They also concluded that Janus Capital and each subadviser had sufficient personnel, with the appropriate education and experience, to serve the Janus Henderson Funds effectively and had demonstrated its ability to attract well-qualified personnel.

Performance of the Funds

The Trustees considered the performance results of each Janus Henderson Fund over various time periods. They noted that they considered Janus Henderson Fund performance data throughout the year, including periodic meetings with each Janus Henderson Fund's portfolio manager(s), and also reviewed information comparing each Janus Henderson Fund's performance with the performance of comparable funds and peer groups identified by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent data provider, and with the Janus Henderson Fund's benchmark index. In this regard, the independent fee consultant found that the overall Janus Henderson Funds' performance has been reasonable: for the 36 months ended September 30, 2020, approximately 75% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers, and for the 12 months ended September 30, 2020, approximately 62% of the Janus Henderson Funds were in the top two quartiles of performance versus Broadridge peers.

The Trustees considered the performance of each Janus Henderson Fund, noting that performance may vary by share class, and noted the following with respect to the VIT Portfolios:

- For Janus Henderson Balanced Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the first Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance and the steps Janus Capital had taken or was taking to improve performance, and that the performance trend was improving.

Janus Henderson VIT Enterprise Portfolio

Additional Information (unaudited)

- For Janus Henderson Forty Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Global Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the bottom Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's performance was in the first Broadridge quartile for the 36 months ended May 31, 2020 and the second Broadridge quartile for the 12 months ended May 31, 2020.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital and Perkins had taken or were taking to improve performance.
- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's performance was in the bottom Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's performance was in the third Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020. The Trustees noted the reasons for the Fund's underperformance, while also noting that the Fund has a performance fee structure that results in lower management fees during periods of underperformance, and the steps Janus Capital had taken or was taking to improve performance.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's performance was in the second Broadridge quartile for the 36 months ended May 31, 2020 and the third Broadridge quartile for the 12 months ended May 31, 2020.

In consideration of each Janus Henderson Fund's performance, the Trustees concluded that, taking into account the factors relevant to performance, as well as other considerations, including steps taken to improve performance, the Janus Henderson Fund's performance warranted continuation of such Janus Henderson Fund's investment advisory and subadvisory agreement(s).

Costs of Services Provided

The Trustees examined information regarding the fees and expenses of each Janus Henderson Fund in comparison to similar information for other comparable funds as provided by Broadridge, an independent data provider. They also reviewed an analysis of that information provided by their independent fee consultant and noted that the rate of management fees (investment advisory fees and any administration fees but excluding out-of-pocket costs) for many of the Janus Henderson Funds, after applicable waivers, was below the average management fee rate of the respective peer group of funds selected by an independent data provider. The Trustees also examined information regarding the subadvisory fees charged for subadvisory services, as applicable, noting that all such fees were paid by Janus Capital out of its management fees collected from such Janus Henderson Fund.

The independent fee consultant provided its belief that the management fees charged by Janus Capital to each of the Janus Henderson Funds under the current investment advisory and administration agreements are reasonable in relation to the services provided by Janus Capital. The independent fee consultant found: (1) the total expenses and management fees of the Janus Henderson Funds to be reasonable relative to other comparable mutual funds; (2) the total expenses, on average, were 10% under the average total expenses of the respective Broadridge Expense Group peers; and (3) the management fees for the Janus Henderson Funds, on average, were 9% under the average management fees for the respective Broadridge Expense Group. The Trustees also considered the total expenses for

Janus Henderson VIT Enterprise Portfolio

Additional Information (unaudited)

each share class of each Janus Henderson Fund compared to the average total expenses for its Broadridge Expense Group and to average total expenses for its Broadridge Expense Universe.

For certain Janus Henderson Funds, the independent fee consultant also performed a systematic “focus list” analysis of expenses which assessed fund fees in the context of fund performance being delivered. Based on this analysis, the independent fee consultant found that the combination of service quality/performance and expenses on these individual Janus Henderson Funds was reasonable in light of performance trends, performance histories, and existence of performance fees, breakpoints, and/or expense waivers on such Janus Henderson Funds.

The Trustees considered the methodology used by Janus Capital and each subadviser in determining compensation payable to portfolio managers, the competitive environment for investment management talent, and the competitive market for mutual funds in different distribution channels.

The Trustees also reviewed management fees charged by Janus Capital and each subadviser to comparable separate account clients and to comparable non-affiliated funds subadvised by Janus Capital or by a subadviser (for which Janus Capital or the subadviser provides only or primarily portfolio management services). Although in most instances subadvisory and separate account fee rates for various investment strategies were lower than management fee rates for Janus Henderson Funds having a similar strategy, the Trustees considered that Janus Capital noted that, under the terms of the management agreements with the Janus Henderson Funds, Janus Capital performs significant additional services for the Janus Henderson Funds that it does not provide to those other clients, including administration services, oversight of the Janus Henderson Funds' other service providers, trustee support, regulatory compliance and numerous other services, and that, in serving the Janus Henderson Funds, Janus Capital assumes many legal risks and other costs that it does not assume in servicing its other clients. Moreover, they noted that the independent fee consultant found that: (1) the management fees Janus Capital charges to the Janus Henderson Funds are reasonable in relation to the management fees Janus Capital charges to funds subadvised by Janus Capital and to the fees Janus Capital charges to its institutional separate account clients; (2) these subadvised and institutional separate accounts have different service and infrastructure needs and operate in markets very distinct relative to retail funds; and (3) Janus Henderson mutual fund investors enjoy reasonable fees relative to the fees charged to Janus Henderson subadvised fund and separate account investors; (4) 9 of 10 Janus Henderson Funds have lower management fees than similar funds subadvised by Janus Capital; and (5) 5 of 8 Janus Henderson Funds have lower management fees than similar separate accounts managed by Janus Capital.

The Trustees considered the fees for each Janus Henderson Fund for its fiscal year ended in 2019, including the VIT Portfolios, and noted the following with regard to each VIT Portfolio's total expenses, net of applicable fee waivers (the VIT Portfolio's “total expenses”):

- For Janus Henderson Balanced Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Enterprise Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Flexible Bond Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.
- For Janus Henderson Forty Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Research Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group average for one share class, overall the Fund's total expenses were reasonable.
- For Janus Henderson Global Technology and Innovation Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Mid Cap Value Portfolio, the Trustees noted that, although the Fund's total expenses exceeded the peer group for one share class, overall the Fund's total expenses were reasonable. The Trustees also noted that Janus Capital has contractually agreed to limit the Fund's expenses, although this limit did not apply because the Fund's total expenses were already below the applicable fee limit.

Janus Henderson VIT Enterprise Portfolio

Additional Information (unaudited)

- For Janus Henderson Overseas Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for both share classes.
- For Janus Henderson Research Portfolio, the Trustees noted that the Fund's total expenses were below the peer group average for both share classes.
- For Janus Henderson U.S. Low Volatility Portfolio, the Trustees noted that the Fund's total expenses were below the peer group for its sole share class.

The Trustees reviewed information on the overall profitability to Janus Capital and its affiliates of their relationship with the Janus Henderson Funds, and considered profitability data of other publicly traded mutual fund advisers. The Trustees recognized that profitability comparisons among fund managers are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund manager is affected by numerous factors, including the organizational structure of the particular fund manager, differences in complex size, difference in product mix, difference in types of business (mutual fund, institutional and other), differences in the types of funds and other accounts it manages, possible other lines of business, the methodology for allocating expenses, and the fund manager's capital structure and cost of capital.

Additionally, the Trustees considered the estimated profitability to Janus Capital from the investment management services it provided to each Janus Henderson Fund. In their review, the Trustees considered whether Janus Capital and each subadviser receive adequate incentives and resources to manage the Janus Henderson Funds effectively. In reviewing profitability, the Trustees noted that the estimated profitability for an individual Janus Henderson Fund is necessarily a product of the allocation methodology utilized by Janus Capital to allocate its expenses as part of the estimated profitability calculation. In this regard, the Trustees noted that the independent fee consultant found that (1) the expense allocation methodology and rationales utilized by Janus Capital were reasonable and (2) no clear correlation exists between expense allocations and operating margins. The Trustees also considered that the estimated profitability for an individual Janus Henderson Fund was influenced by a number of factors, including not only the allocation methodology selected, but also the presence of fee waivers and expense caps, and whether the Janus Henderson Fund's investment management agreement contained breakpoints or a performance fee component. The Trustees determined, after taking into account these factors, among others, that Janus Capital's estimated profitability with respect to each Janus Henderson Fund was not unreasonable in relation to the services provided, and that the variation in the range of such estimated profitability among the Janus Henderson Funds was not a material factor in the Board's approval of the reasonableness of any Janus Henderson Fund's investment management fees.

The Trustees concluded that the management fees payable by each Janus Henderson Fund to Janus Capital and its affiliates, as well as the fees paid by Janus Capital to the subadvisers of subadvised Janus Henderson Funds, were reasonable in relation to the nature, extent, and quality of the services provided, taking into account the fees charged by other advisers for managing comparable mutual funds with similar strategies, the fees Janus Capital and the subadvisers charge to other clients, and, as applicable, the impact of fund performance on management fees payable by the Janus Henderson Funds. The Trustees also concluded that each Janus Henderson Fund's total expenses were reasonable, taking into account the size of the Janus Henderson Fund, the quality of services provided by Janus Capital and any subadviser, the investment performance of the Janus Henderson Fund, and any expense limitations agreed to or provided by Janus Capital.

Economies of Scale

The Trustees considered information about the potential for Janus Capital to realize economies of scale as the assets of the Janus Henderson Funds increase. They noted that their independent fee consultant published a report to the Trustees in November 2019 which provided its research and analysis into economies of scale. They also noted that, although many Janus Henderson Funds pay advisory fees at a fixed base rate as a percentage of net assets, without any breakpoints or performance fees, their independent fee consultant concluded that 73% of these Janus Henderson Funds' have contractual management fees (gross of waivers) below their Broadridge Expense Group averages. They also noted the following: (1) that for those Janus Henderson Funds whose expenses are being reduced by the contractual expense limitations of Janus Capital, Janus Capital is subsidizing certain of these Janus Henderson Funds because they have not reached adequate scale; (2) as the assets of some of the Janus Henderson Funds have declined in the past few years, certain of those Janus Henderson Funds have benefited from having advisory fee rates that have remained constant rather than increasing as assets declined; (3) performance fee structures have been implemented for various Janus Henderson Funds that have caused the effective rate of advisory fees payable by such

Janus Henderson VIT Enterprise Portfolio

Additional Information (unaudited)

Janus Henderson Fund to vary depending on the investment performance of the Janus Henderson Fund relative to its benchmark index over the measurement period; and (4) a few Janus Henderson Funds have fee schedules with breakpoints and reduced fee rates above certain asset levels. The Trustees also noted that the Janus Henderson Funds share directly in economies of scale through the significant investments made by Janus Capital and its affiliates related to services provided to the Funds and the lower charges of third-party service providers that are based in part on the combined scale of all of the Janus Henderson Funds.

The Trustees also considered the independent fee consultant's conclusion that, given the limitations of various analytical approaches to economies of scale and their conflicting results, it is difficult to analytically confirm or deny the existence of economies of scale in the Janus Henderson complex. In this regard, the independent consultant concluded that (1) to the extent there were economies of scale at Janus Capital, Janus Capital's general strategy of setting fixed management fees below peers appeared to share any such economies with investors even on smaller Janus Henderson Funds which have not yet achieved those economies and (2) by setting lower fixed fees from the start on these Janus Henderson Funds, Janus Capital appeared to be investing to increase the likelihood that these Janus Henderson Funds will grow to a level to achieve any economies of scale that may exist. Further, the independent fee consultant provided its belief that Janus Henderson Fund investors are well-served by the fee levels and performance fee structures in place on the Janus Henderson Funds in light of any economies of scale that may be present at Janus Capital.

Based on all of the information reviewed, including the recent and past research and analysis conducted by the Trustees' independent fee consultant, the Trustees concluded that the current fee structure of each Janus Henderson Fund was reasonable and that the current rates of fees do reflect a sharing between Janus Capital and the Janus Henderson Fund of any economies of scale that may be present at the current asset level of the Janus Henderson Fund.

Other Benefits to Janus Capital

The Trustees also considered benefits that accrue to Janus Capital and its affiliates and subadvisers to the Janus Henderson Funds from their relationships with the Janus Henderson Funds. They recognized that two affiliates of Janus Capital separately serve the Janus Henderson Funds as transfer agent and distributor, respectively, and the transfer agent receives compensation directly from the non-money market funds for services provided, and that such compensation contributes to the overall profitability of Janus Capital and its affiliates that results from their relationship with the Janus Henderson Funds. The Trustees also considered Janus Capital's past and proposed use of commissions paid by the Janus Henderson Funds on portfolio brokerage transactions to obtain proprietary and third-party research products and services benefiting the Janus Henderson Fund and/or other clients of Janus Capital and Janus Capital, and/or a subadviser to a Janus Henderson Fund. The Trustees concluded that Janus Capital's and the subadvisers' use of these types of client commission arrangements to obtain proprietary and third-party research products and services was consistent with regulatory requirements and guidelines and was likely to benefit each Janus Henderson Fund. The Trustees also concluded that, other than the services provided by Janus Capital and its affiliates and subadvisers pursuant to the agreements and the fees to be paid by each Janus Henderson Fund therefor, the Janus Henderson Funds and Janus Capital and the subadvisers may potentially benefit from their relationship with each other in other ways. They concluded that Janus Capital and its affiliates share directly in economies of scale through the lower charges of third-party service providers that are based in part on the combined scale of the Janus Henderson Funds and other clients serviced by Janus Capital and its affiliates. They also concluded that Janus Capital and/or the subadvisers benefit from the receipt of research products and services acquired through commissions paid on portfolio transactions of the Janus Henderson Funds and that the Janus Henderson Funds benefit from Janus Capital's and/or the subadvisers' receipt of those products and services as well as research products and services acquired through commissions paid by other clients of Janus Capital and/or other clients of the subadvisers. They further concluded that the success of any Janus Henderson Fund could attract other business to Janus Capital, the subadvisers or other Janus Henderson funds, and that the success of Janus Capital and the subadvisers could enhance Janus Capital's and the subadvisers' ability to serve the Janus Henderson Funds.

Janus Henderson VIT Enterprise Portfolio

Useful Information About Your Portfolio Report (unaudited)

Management Commentary

The Management Commentary in this report includes valuable insight as well as statistical information to help you understand how your Portfolio's performance and characteristics stack up against those of comparable indices.

If the Portfolio invests in foreign securities, this report may include information about country exposure. Country exposure is based primarily on the country of risk. A company may be allocated to a country based on other factors such as location of the company's principal office, the location of the principal trading market for the company's securities, or the country where a majority of the company's revenues are derived.

Please keep in mind that the opinions expressed in the Management Commentary are just that: opinions. They are a reflection based on best judgment at the time this report was compiled, which was December 31, 2020. As the investing environment changes, so could opinions. These views are unique and are not necessarily shared by fellow employees or by Janus Henderson in general.

Performance Overviews

Performance overview graphs compare the performance of a hypothetical \$10,000 investment in the Portfolio with one or more widely used market indices. When comparing the performance of the Portfolio with an index, keep in mind that market indices are not available for investment and do not reflect deduction of expenses.

Average annual total returns are quoted for a Portfolio with more than one year of performance history. Average annual total return is calculated by taking the growth or decline in value of an investment over a period of time, including reinvestment of dividends and distributions, then calculating the annual compounded percentage rate that would have produced the same result had the rate of growth been constant throughout the period. Average annual total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Cumulative total returns are quoted for a Portfolio with less than one year of performance history. Cumulative total return is the growth or decline in value of an investment over time, independent of the period of time involved. Cumulative total return does not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or redemptions of Portfolio shares.

Pursuant to federal securities rules, expense ratios shown in the performance chart reflect subsidized (if applicable) and unsubsidized ratios. The total annual fund operating expenses ratio is gross of any fee waivers, reflecting the Portfolio's unsubsidized expense ratio. The net annual fund operating expenses ratio (if applicable) includes contractual waivers of Janus Capital and reflects the Portfolio's subsidized expense ratio. Ratios may be higher or lower than those shown in the "Financial Highlights" in this report.

Schedule of Investments

Following the performance overview section is the Portfolio's Schedule of Investments. This schedule reports the types of securities held in the Portfolio on the last day of the reporting period. Securities are usually listed by type (common stock, corporate bonds, U.S. Government obligations, etc.) and by industry classification (banking, communications, insurance, etc.). Holdings are subject to change without notice.

The value of each security is quoted as of the last day of the reporting period. The value of securities denominated in foreign currencies is converted into U.S. dollars.

If the Portfolio invests in foreign securities, it will also provide a summary of investments by country. This summary reports the Portfolio exposure to different countries by providing the percentage of securities invested in each country. The country of each security represents the country of risk. The Portfolio's Schedule of Investments relies upon the industry group and country classifications published by Barclays and/or MSCI Inc.

Tables listing details of individual forward currency contracts, futures, written options, swaptions, and swaps follow the Portfolio's Schedule of Investments (if applicable).

Statement of Assets and Liabilities

This statement is often referred to as the "balance sheet." It lists the assets and liabilities of the Portfolio on the last day of the reporting period.

Janus Henderson VIT Enterprise Portfolio

Useful Information About Your Portfolio Report (unaudited)

The Portfolio's assets are calculated by adding the value of the securities owned, the receivable for securities sold but not yet settled, the receivable for dividends declared but not yet received on securities owned, and the receivable for Portfolio shares sold to investors but not yet settled. The Portfolio's liabilities include payables for securities purchased but not yet settled, Portfolio shares redeemed but not yet paid, and expenses owed but not yet paid. Additionally, there may be other assets and liabilities such as unrealized gain or loss on forward currency contracts.

The section entitled "Net Assets Consist of" breaks down the components of the Portfolio's net assets. Because the Portfolio must distribute substantially all earnings, you will notice that a significant portion of net assets is shareholder capital.

The last section of this statement reports the net asset value ("NAV") per share on the last day of the reporting period. The NAV is calculated by dividing the Portfolio's net assets for each share class (assets minus liabilities) by the number of shares outstanding.

Statement of Operations

This statement details the Portfolio's income, expenses, realized gains and losses on securities and currency transactions, and changes in unrealized appreciation or depreciation of Portfolio holdings.

The first section in this statement, entitled "Investment Income," reports the dividends earned from securities and interest earned from interest-bearing securities in the Portfolio.

The next section reports the expenses incurred by the Portfolio, including the advisory fee paid to the investment adviser, transfer agent fees and expenses, and printing and postage for mailing statements, financial reports and prospectuses. Expense offsets and expense reimbursements, if any, are also shown.

The last section lists the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign currency-denominated assets and liabilities. The Portfolio will realize a gain (or loss) when it sells its position in a particular security. A change in unrealized gain (or loss) refers to the change in net appreciation or depreciation of the Portfolio during the reporting period. "Net Realized and Unrealized Gain/(Loss) on Investments" is affected both by changes in the market value of Portfolio holdings and by gains (or losses) realized during the reporting period.

Statements of Changes in Net Assets

These statements report the increase or decrease in the Portfolio's net assets during the reporting period. Changes in the Portfolio's net assets are attributable to investment operations, dividends and distributions to investors, and capital share transactions. This is important to investors because it shows exactly what caused the Portfolio's net asset size to change during the period.

The first section summarizes the information from the Statement of Operations regarding changes in net assets due to the Portfolio's investment operations. The Portfolio's net assets may also change as a result of dividend and capital gains distributions to investors. If investors receive their dividends and/or distributions in cash, money is taken out of the Portfolio to pay the dividend and/or distribution. If investors reinvest their dividends and/or distributions, the Portfolio's net assets will not be affected. If you compare the Portfolio's "Net Decrease from Dividends and Distributions" to "Reinvested Dividends and Distributions," you will notice that dividends and distributions have little effect on the Portfolio's net assets. This is because the majority of the Portfolio's investors reinvest their dividends and/or distributions.

The reinvestment of dividends and distributions is included under "Capital Share Transactions." "Capital Shares" refers to the money investors contribute to the Portfolio through purchases or withdrawals via redemptions. The Portfolio's net assets will increase and decrease in value as investors purchase and redeem shares from the Portfolio.

Financial Highlights

This schedule provides a per-share breakdown of the components that affect the Portfolio's NAV for current and past reporting periods as well as total return, asset size, ratios, and portfolio turnover rate.

The first line in the table reflects the NAV per share at the beginning of the reporting period. The next line reports the net investment income/(loss) per share. Following is the per share total of net gains/(losses), realized and unrealized. Per share dividends and distributions to investors are then subtracted to arrive at the NAV per share at the end of the period. The next line reflects the total return for the period. The total return may include adjustments in accordance with

Janus Henderson VIT Enterprise Portfolio

Useful Information About Your Portfolio Report (unaudited)

generally accepted accounting principles required at the period end for financial reporting purposes. As a result, the total return may differ from the total return reflected for individual shareholder transactions. Also included are ratios of expenses and net investment income to average net assets.

The Portfolio's expenses may be reduced through expense offsets and expense reimbursements. The ratios shown reflect expenses before and after any such offsets and reimbursements.

The ratio of net investment income/(loss) summarizes the income earned less expenses, divided by the average net assets of the Portfolio during the reporting period. Do not confuse this ratio with the Portfolio's yield. The net investment income ratio is not a true measure of the Portfolio's yield because it does not take into account the dividends distributed to the Portfolio's investors.

The next figure is the portfolio turnover rate, which measures the buying and selling activity in the Portfolio. Portfolio turnover is affected by market conditions, changes in the asset size of the Portfolio, fluctuating volume of shareholder purchase and redemption orders, the nature of the Portfolio's investments, and the investment style and/or outlook of the portfolio manager(s) and/or investment personnel. A 100% rate implies that an amount equal to the value of the entire portfolio was replaced once during the fiscal year; a 50% rate means that an amount equal to the value of half the portfolio is traded in a year; and a 200% rate means that an amount equal to the value of the entire portfolio is traded every six months.

Janus Henderson VIT Enterprise Portfolio

Designation Requirements (unaudited)

For federal income tax purposes, the Portfolio designated the following for the year ended December 31, 2020:

Capital Gain Distributions	\$110,296,383
Dividends Received Deduction Percentage	46%

Janus Henderson VIT Enterprise Portfolio

Trustees and Officers (unaudited)

The following are the Trustees and officers of the Trust, together with a brief description of their principal occupations during the last five years (principal occupations for certain Trustees may include periods over five years). The Portfolio's Statement of Additional Information includes additional information about the Trustees and officers and is available, without charge, by calling 1-877-335-2687.

Each Trustee has served in that capacity since he or she was originally elected or appointed. The Trustees do not serve a specified term of office. Each Trustee will hold office until the termination of the Trust or his or her earlier death, resignation, retirement, incapacity, or removal. Under the Portfolio's Governance Procedures and Guidelines, the policy is for Trustees to retire no later than the end of the calendar year in which the Trustee turns 75. The Trustees review the Portfolio's Governance Procedures and Guidelines from time to time and may make changes they deem appropriate. The Portfolio's Nominating and Governance Committee will consider nominees for the position of Trustee recommended by shareholders. Shareholders may submit the name of a candidate for consideration by the Committee by submitting their recommendations to the Trust's Secretary. Each Trustee is currently a Trustee of one other registered investment company advised by Janus Capital: Janus Investment Fund. Collectively, these two registered investment companies consist of 56 series or funds referred to herein as the Fund Complex.

The Trust's officers are elected annually by the Trustees for a one-year term. Certain officers also serve as officers of Janus Investment Fund. Certain officers of the Portfolio may also be officers and/or directors of Janus Capital. Except as otherwise disclosed, Portfolio officers receive no compensation from the Portfolio, except for the Portfolio's Chief Compliance Officer, as authorized by the Trustees.

Janus Henderson VIT Enterprise Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William F. McCalpin 151 Detroit Street Denver, CO 80206 DOB: 1957	Chairman Trustee	1/08-Present 6/02-Present	Independent Consultant (since 2019) and Chief Operating Officer, muun chi LLC (organic food business) (since 2020). Formerly, Managing Partner, Impact Investments, Athena Capital Advisors LLC (independent registered investment advisor) (2016-2019), Managing Director, Holos Consulting LLC (provides consulting services to foundations and other nonprofit organizations) (2009-2016), Chief Executive Officer, Imprint Capital Advisors (impact investment firm) (2013-2015), and Executive Vice President and Chief Operating Officer of The Rockefeller Brothers Fund (a private family foundation) (1998-2006).	56	Director of Mutual Fund Directors Forum (a non-profit organization serving independent directors of U.S. mutual funds) (since 2016), Chairman of the Board and Trustee of The Investment Fund for Foundations Investment Program (TIP) (consisting of 2 funds) (since 2008), and Director of the F.B. Heron Foundation (a private grantmaking foundation) (since 2006).

Janus Henderson VIT Enterprise Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Alan A. Brown 151 Detroit Street Denver, CO 80206 DOB: 1962	Trustee	1/13-Present	Principal, Curam Holdings LLC (since 2018). Formerly, Executive Vice President, Institutional Markets, of Black Creek Group (private equity real estate investment management firm) (2012-2018), Executive Vice President and Co-Head, Global Private Client Group (2007-2010), Executive Vice President, Mutual Funds (2005-2007), and Chief Marketing Officer (2001-2005) of Nuveen Investments, Inc. (asset management).	56	Advisory Board Member of AEW Core Property Trust (open-end property fund) (since 2020), and Director of WTTW (PBS affiliate) (since 2003). Formerly, Director of MotiveQuest LLC (strategic social market research company) (2003-2016), Director of Nuveen Global Investors LLC (2007-2011), Director of Communities in Schools (2004-2010), and Director of Mutual Fund Education Alliance (until 2010).

Janus Henderson VIT Enterprise Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
William D. Cvengros 151 Detroit Street Denver, CO 80206 DOB: 1948	Trustee	1/11-Present	Chief Executive Officer of SJC Capital, LLC (a personal investment company and consulting firm) (since 2002). Formerly, Chief Executive Officer and President of PIMCO Advisors Holdings L.P. (a publicly traded investment management firm) (1994-2000), and Chief Investment Officer (1987-1994) and Vice Chairman and Director (1990-1994) of Pacific Life Insurance Company (a mutual life insurance and annuity company) (1987-1994).	56	Advisory Board Member, RevOZ Fund LP and related funds (real estate investments for opportunity zones) (since 2020), and Advisory Board Member, Innovate Partners Emerging Growth and Equity Fund I (early stage venture capital fund) (since 2014). Formerly, Managing Trustee of National Retirement Partners Liquidating Trust (2013-2016), Chairman, National Retirement Partners, Inc. (formerly a network of advisors to 401(k) plans) (2005-2013), Director of Prospect Acquisition Corp. (a special purpose acquisition corporation) (2007-2009), Director of RemedyTemp, Inc. (temporary help services company) (1996-2006), and Trustee of PIMCO Funds Multi-Manager Series (1990-2000) and Pacific Life Variable Life & Annuity Trusts (1987-1994).

Janus Henderson VIT Enterprise Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Raudline Etienne 151 Detroit Street Denver, CO 80206 DOB: 1965	Trustee	6/16-Present	Founder, Daraja Capital (advisory and investment firm) (since 2016), and Senior Advisor, Albright Stonebridge Group LLC (global strategy firm) (since 2016). Formerly, Senior Vice President (2011-2015), Albright Stonebridge Group LLC, and Deputy Comptroller and Chief Investment Officer, New York State Common Retirement Fund (public pension fund) (2008-2011).	56	Board Member, Van Alen Institute (nonprofit architectural and design organization) (since 2019) and Director of Brightwood Capital Advisors, LLC (since 2014).
William M. Fitzgerald, Sr. 151 Detroit Street Denver, CO 80206 DOB: 1964	Trustee	9/19-Present	Founder, Fitzgerald Asset Management LLC (since 2012). Formerly, Founder and Chief Investment Officer, Global Infrastructure Asset Management LLC (2008-2017), Chief Investment Officer of Nuveen Asset Management (2000-2007), and Managing Director, Nuveen Investment LLC (1988-2007).	56	Board of Directors, Municipal Securities Rulemaking Board (since 2017). Formerly, Board of Directors of Syncora Holdings Ltd, Syncora Guarantee Inc., and Syncora Capital Assurance Inc. (2009-2016), and Trustee, Destra Investment Trust (2010-2014).

Janus Henderson VIT Enterprise Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Gary A. Poliner 151 Detroit Street Denver, CO 80206 DOB: 1953	Trustee	6/16-Present	Retired. Formerly, President (2010-2013) of Northwestern Mutual Life Insurance Company.	56	Director of MGIC Investment Corporation (private mortgage insurance) (since 2013) and West Bend Mutual Insurance Company (property/casualty insurance) (since 2013). Formerly, Trustee of Northwestern Mutual Life Insurance Company (2010-2013) and Director of Frank Russell Company (global asset management firm) (2008-2013).
Diane L. Wallace 151 Detroit Street Denver, CO 80206 DOB: 1958	Trustee	6/17-Present	Retired. Formerly, Chief Operating Officer, Senior Vice President-Operations, and Chief Financial Officer for Driehaus Capital Management, LLC (1988-2006) and Treasurer for Driehaus Mutual Funds (1996-2002).	56	Director of Family Service of Lake County (since 2019). Formerly, Independent Trustee, Henderson Global Funds (13 portfolios) (2015-2017), Independent Trustee, State Farm Associates' Funds Trust, State Farm Mutual Fund Trust, and State Farm Variable Product Trust (28 portfolios) (2013-2017).

Janus Henderson VIT Enterprise Portfolio

Trustees and Officers (unaudited)

TRUSTEES

Name, Address, and Age	Positions Held with the Trust	Length of Time Served	Principal Occupations During the Past Five Years	Number of Portfolios/Funds in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Linda S. Wolf 151 Detroit Street Denver, CO 80206 DOB: 1947	Trustee	11/05-Present	Retired. Formerly, Chairman and Chief Executive Officer of Leo Burnett (Worldwide) (advertising agency) (2001-2005).	56	Director of Chicago Community Trust (Regional Community Foundation), Lurie Children's Hospital (Chicago, IL), Shirley Ryan Ability Lab and Wrappports, LLC (digital communications company). Formerly, Director of Chicago Council on Global Affairs (until 2019), InnerWorkings (until 2019) and Director of Walmart (until 2017).

Janus Henderson VIT Enterprise Portfolio

Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Brian Demain 151 Detroit Street Denver, CO 80206 DOB: 1977	Executive Vice President and Co-Portfolio Manager Janus Henderson Enterprise Portfolio	11/07-Present	Portfolio Manager for other Janus Henderson accounts.
Cody Wheaton 151 Detroit Street Denver, CO 80206 DOB: 1978	Executive Vice President and Co-Portfolio Manager Janus Henderson Enterprise Portfolio	7/16-Present	Portfolio Manager for other Janus Henderson accounts and Analyst for Janus Capital.
Bruce L. Koepfgen 151 Detroit Street Denver, CO 80206 DOB: 1952	President and Chief Executive Officer	7/14-Present	Executive Vice President and Head of North America at Janus Henderson Investors (since 2017), President and Head of North America at Janus Capital Management LLC (since 2013 and 2017, respectively), President at Janus Capital Group Inc. (since 2013), President and Director at Janus International Holding LLC (since 2019 and 2011, respectively), President at Janus Holdings LLC (since 2019), President and Director at Janus Management Holdings Corporation (since 2017 and 2012, respectively), Executive Vice President and Head of North America at Janus Distributors LLC (since 2011 and 2019, respectively), Vice President and Director at Intech Investment Management LLC (since 2012), and Executive Vice President at Perkins Investment Management LLC (since 2011). Formerly, Executive Vice President at Janus Capital Group Inc., Janus International Holding LLC, and Janus Management Holdings Corporation (2011-2019), Director at Perkins Investment Management LLC (2011-2019), and Chief Financial Officer at Janus Capital Group Inc. (2011-2013).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Enterprise Portfolio

Trustees and Officers (unaudited)

OFFICERS

Name, Address, and Age	Positions Held with the Trust	Term of Office* and Length of Time Served	Principal Occupations During the Past Five Years
Kristin Mariani 151 Detroit Street Denver, CO 80206 DOB: 1966	Vice President, Chief Compliance Officer, and Anti-Money Laundering Officer	7/20-Present	Head of Compliance, North America for Janus Henderson Investors (since September 2020), and Chief Compliance Officer for Janus Capital Management LLC (since September 2017). Formerly, Global Head of Investment Management Compliance for Janus Henderson Investors (February 2019 – August 2020), Vice President, Head of Global Distribution Compliance and Chief Compliance Officer of Janus Henderson Distributors (May 2017-September 2017), Vice President, Compliance at Janus Capital Group Inc., Janus Capital Management LLC, and Janus Distributors LLC (2009-2017).
Jesper Nergaard 151 Detroit Street Denver, CO 80206 DOB: 1962	Chief Financial Officer Vice President, Treasurer, and Principal Accounting Officer	3/05-Present 2/05-Present	Head of U.S. Fund Administration, Janus Henderson Investors and Janus Services LLC.
Abigail J. Murray 151 Detroit Street Denver, CO 80206 DOB: 1975	Vice President, Chief Legal Officer, and Secretary	12/20-Present	Managing Counsel (2020-present). Formerly, Senior Counsel for Invesco Ltd. (2017-2020), and Vice President and Senior Counsel, ALPS Fund Services, Inc. and Assistant General Counsel, ALPS Advisors, Inc. (2015-2017).

* Officers are elected at least annually by the Trustees for a one-year term and may also be elected from time to time by the Trustees for an interim period.

Janus Henderson VIT Enterprise Portfolio Notes

This report is submitted for the general information of shareholders of the Portfolio. It is not an offer or solicitation for the Portfolio and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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Janus Henderson Distributors



ANNUAL REPORT

December 31, 2020

T. ROWE PRICE

Government Money Portfolio

For more insights from T. Rowe Price investment professionals,
go to **[troweprice.com](https://www.troweprice.com)**.

HIGHLIGHTS

- The Government Money Portfolio and the Lipper Variable Annuity Underlying U.S. Government Money Market Funds Average both returned 0.25% for the 12-month period ended December 31, 2020.
- The Federal Reserve (Fed) decreased short-term interest rates by 150 basis points in March in two steps, bringing the fed funds target rate down to the 0.00% to 0.25% range.
- At the end of December, the portfolio's weighted average maturity (WAM) was longer than that of the average competitor. Because of the Fed's deep rate cuts in March, we extended the WAM and kept it near its 60-day maximum to capture some of the highest available yields among U.S. government money market instruments.
- The Fed is likely to keep rates very low for the next couple of years. Central bank officials are concerned about the pandemic's risks to the economy in the near and medium term.

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TO ENROLL:

If you invest directly with T. Rowe Price, go to **troweprice.com/paperless**.

If you invest through an investment advisor, a bank, or a brokerage firm, please contact that organization and ask if it can provide electronic documentation.

It's fast—receive your statements and confirmations faster than U.S. mail.

It's convenient—access your important account documents whenever you need them.

It's secure—we protect your online accounts using “True Identity” to confirm new accounts and make verification faster and more secure.

It can save you money—where applicable, T. Rowe Price passes on the cost savings to fund holders.*

Log in to your account at **troweprice.com** for more information.

*Certain mutual fund accounts that are assessed an annual account service fee can also save money by switching to e-delivery.

Dear Investor

Nearly all major stock and bond indexes produced positive results during 2020 as markets recovered from the steep sell-off that resulted from the spread of the coronavirus. Extraordinary fiscal and monetary support from global governments and central banks helped spur the rebound, although the pandemic continued to pose significant public health and economic challenges as the year came to an end.

In the U.S., the large-cap Dow Jones Industrial Average and S&P 500 Index reached record highs, as did the technology-heavy Nasdaq Composite Index—a result that few would have predicted in late March after the benchmarks tumbled more than 30% as governments instituted lockdowns to try to halt the spread of the virus. Large-cap information technology and internet-related firms helped lead the rebound as they benefited from the work-from-home environment and an acceleration in demand for online services.

Within the S&P 500, the technology and consumer discretionary sectors were the top performers, and communication services and materials stocks also outperformed. Despite a late rally, the energy sector trailed with significant losses due to a plunge in oil prices.

Most equity markets outside the U.S. also performed well. Emerging markets outpaced developed markets, and Asian shares delivered strong results as China and other countries in the region proved relatively successful in containing the coronavirus.

Growth stocks significantly outpaced their value counterparts for the full year; however, value shares rallied late in the period. Positive vaccine news in November raised hopes for a return to normalcy in 2021 and boosted sectors that had been beaten down in the initial phases of the pandemic.

Within the fixed income universe, corporate bonds delivered strong results as the market easily absorbed a torrent of new issuance. After falling to record lows in March, intermediate- and longer-term Treasury yields ticked higher later in the year but remained very low by historical standards, a factor that encouraged investors to seek out riskier securities with higher return potential.

While investors had reason to cheer the market's recovery, the global economic outlook remained unclear as the year came to an end. Most notable on the positive side was the start of vaccine distributions, which provided hope that the pandemic was in its final phase. In addition, Congress passed a

\$900 billion coronavirus relief package, supplementing the \$2.4 trillion allocated to address the crisis earlier in the year, and the Fed continued to pledge very accommodative monetary policies for the foreseeable future. Meanwhile, political uncertainty diminished with Joe Biden's victory in the U.S. presidential election and the completion of a Brexit trade deal between the UK and the European Union.

On the negative side, concerns about a resurgence in virus hospitalizations led to new lockdowns and business restrictions in many countries, which in turn appeared to threaten economic recoveries. In the U.S., after a strong recovery in the summer and fall, the pace of hiring slowed late in the year, and household spending declined in November for the first time since April.

It was a remarkable 12-month period in many ways, but as far as markets are concerned, I can recall no calendar year that so starkly displayed evidence of both fear and greed. Fear emerged during the March sell-off and again in April as oil futures briefly traded in negative territory. Greed surfaced later as some assets seemed to continue to rally without fundamental support. Bitcoin rocketed to a record high of \$29,000 by year-end, and the amount of money raised by initial public offerings also climbed to historic levels. While valuations are still attractive in some areas of the market, other sectors appear to have already priced in a strong rebound in earnings and are trading at elevated levels.

There are both risks and potential rewards in this environment, and we believe strong fundamental analysis and skilled active security selection will remain critical components of investment success.

Thank you for your continued confidence in T. Rowe Price.

Sincerely,



Robert Sharps
Group Chief Investment Officer

INVESTMENT OBJECTIVE

The fund's goals are preservation of capital, liquidity, and, consistent with these, the highest possible current income.

FUND COMMENTARY**How did the portfolio perform in the past 12 months?**

The Government Money Portfolio and the Lipper Variable Annuity Underlying U.S. Government Money Market Funds Average both returned 0.25% for the 12-month period ended December 31, 2020. *(Past performance cannot guarantee future results.)*

PERFORMANCE COMPARISON

Periods Ended 12/31/20	Total Return	
	6 Months	12 Months
Government Money Portfolio	0.01%	0.25%
Lipper Variable Annuity Underlying U.S. Government Money Market Funds Average	0.01	0.25%

What factors influenced the portfolio's performance?

At the beginning of 2020, investors pondered whether the Fed needed to cut rates further—following three rate cuts in the second half of 2019—to continue the economic expansion. As COVID-19 emerged as a global risk, institutional investors abruptly rotated assets into safer securities, shifting from prime money market funds into government money funds. Assets of government money funds increased, but institutional prime money funds saw heavy outflows that put pressure on their government-regulated liquidity buckets. The subsequent selling pressure sent rates to unusually high levels for credit-related products, such as commercial paper, relative to Treasury bill yields.

The Fed acted quickly in an attempt to aid an economic recovery. Policymakers cut rates by 50 basis points on March 3, 2020, and then by an additional 100 basis points at an unusual Sunday meeting on March 15. These rate cuts brought the fed funds target rate back to the 0.00% to 0.25% range, where it had been from late 2008 until late 2015. The central bank also put in place several programs to allay liquidity concerns and reduce distress in the money market.

The yield on the 90-day Treasury bill plunged from 1.55% to 0.09% during the past 12 months, while the six-month Treasury bill yield dropped from 1.60% to 0.09%. Other short-term interest rates, such as the three-month London interbank offered rate (LIBOR), also declined.

How is the portfolio positioned?

At the end of December, the portfolio's weighted average maturity (WAM) was longer than that of its average competitor. Because of the Fed's deep rate cuts in March, we extended the WAM and kept it near its 60-day maximum to capture some of the highest available yields among U.S. government money market instruments.

As a government money fund, the portfolio is required to invest almost exclusively in Treasury bills and other U.S. government securities, as well as repurchase agreements fully collateralized by government securities. Of course, the portfolio is not subject to the liquidity fees and redemption restrictions (also known as "gates") that may be applied to nongovernment money funds during times of severe redemption activity. At the end of December, nearly 70% of the portfolio's assets were invested in Treasury bills, while other U.S. government and agency securities accounted for roughly one-quarter of the portfolio. Repurchase agreements represented the rest.

SECURITY DIVERSIFICATION

U.S. Treasury Bills	69%
Other U.S. Government and Agencies	23
Repurchase Agreements	9
Other Assets and Liabilities	-1
Total	100%

Based on net assets as of 12/31/20.

What is portfolio management's outlook?

The Fed is likely to keep rates very low for the next couple of years. Central bank officials are concerned about the pandemic's risks to the economy in the near and medium term. To balance the longer average maturities, the portfolio maintains a high degree of liquidity with very short-term securities. As always, our focus remains on principal stability and on investments with the highest credit quality.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

RISKS OF INVESTING IN THE GOVERNMENT MONEY PORTFOLIO

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 potential for realizing a loss of principal could derive from:

Credit risks. An issuer of a debt instrument could suffer an adverse change in financial condition that results in a payment default (failure to make scheduled interest or principal payments), a rating downgrade, or an inability to meet a financial obligation. Although the portfolio only purchases securities that present minimal credit risk in the opinion of T. Rowe Price, the credit quality of its holdings could change rapidly during periods of market stress. The portfolio's overall credit risk is relatively low since it invests in securities that are backed by the full faith and credit of the U.S. government.

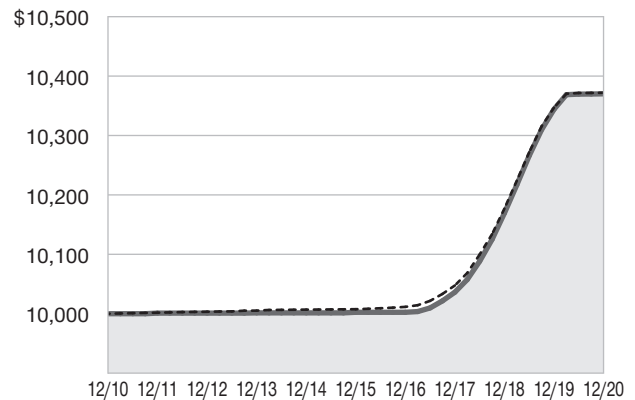
Interest rate risks. A decline in interest rates may lower the portfolio's yield, or a rise in the overall level of interest rates may cause a decline in the prices of fixed income securities held by the portfolio. The portfolio's yield will vary; it is not fixed for a specific period like the yield on a bank certificate of deposit. This is a disadvantage when interest rates are falling because the portfolio would have to reinvest at lower interest rates.

Repurchase agreement risks. A counterparty to a repurchase agreement may become insolvent or fail to repurchase securities from the portfolio as required, which could increase its costs or prevent it from immediately accessing its collateral.

GROWTH OF \$10,000

This chart shows the value of a hypothetical \$10,000 investment in the portfolio over the past 10 fiscal year periods or since inception (for portfolios lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from portfolio returns as well as mutual fund averages and indexes.

GOVERNMENT MONEY PORTFOLIO



As of 12/31/20

— Government Money Portfolio	\$ 10,370
--- Lipper Variable Annuity Underlying U.S. Government Money Market Funds Average	10,372

BENCHMARK INFORMATION

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AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 12/31/20	SEC Yield (7-Day Simple) With Waiver*	SEC Yield (7-Day Simple) Without Waiver*	1 Year	5 Years	10 Years
Government Money Portfolio	0.01%	-0.29%	0.25%	0.72%	0.36%

The fund's performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Investment return will vary. For the most recent month-end performance, please contact a T. Rowe Price representative at 1-800-469-6587 (financial advisors, or customers who have an advisor, should call 1-800-638-8790). Total returns do not include charges imposed by your insurance company's separate account. If these had been included, performance would have been lower.

This table shows how the portfolio would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Average annual total return figures include reinvested dividends. When assessing performance, investors should consider both short- and long-term returns. A money fund's yield more closely represents its current earnings than does the total return.

*In an effort to maintain a zero or positive net yield for the fund, T. Rowe Price has voluntarily waived all or a portion of the management fee it is entitled to receive from the fund. This voluntary waiver is in addition to any contractual expense ratio limitation in effect for the fund and may be amended or terminated at any time without prior notice. A fee waiver has the effect of increasing the fund's net yield; without it, the fund's 7-day yield would have been lower. Please see the prospectus for more details.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Actual Expenses

The first line of the following table (Actual) provides information about actual account values and actual expenses. You may use the information on this line, together with your account balance, 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 on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other 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.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

GOVERNMENT MONEY PORTFOLIO

	Beginning Account Value 7/1/20	Ending Account Value 12/31/20	Expenses Paid During Period* 7/1/20 to 12/31/20
Actual	\$1,000.00	\$1,000.10	\$0.65
Hypothetical (assumes 5% return before expenses)	1,000.00	1,024.48	0.66

*Expenses are equal to the fund's annualized expense ratio for the 6-month period (0.13%), multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184), and divided by the days in the year (366) to reflect the half-year period.

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE					
Beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Investment activities					
Net investment income ^{(1) (2) (3)}	— ⁽⁴⁾	0.02	0.01	— ⁽⁴⁾	—
Net realized and unrealized gain/loss	— ⁽⁴⁾	— ⁽⁴⁾	— ⁽⁴⁾	— ⁽⁴⁾	— ⁽⁴⁾
Total from investment activities	— ⁽⁴⁾	0.02	0.01	— ⁽⁴⁾	— ⁽⁴⁾
Distributions					
Net investment income	— ⁽⁴⁾	(0.02)	(0.01)	— ⁽⁴⁾	—
NET ASSET VALUE					
End of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00

Ratios/Supplemental Data

Total return^{(2) (3) (5)}	0.25%	1.72%	1.33%	0.34%	0.00%
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates	0.55%	0.55%	0.55%	0.55%	0.55%
Net expenses after waivers/payments by Price Associates ⁽³⁾	0.27%	0.55%	0.55%	0.55%	0.40%
Net investment income ⁽³⁾	0.24%	1.70%	1.32%	0.38%	0.00%
Net assets, end of period (in thousands)	\$ 39,019	\$ 35,348	\$ 34,589	\$ 33,318	\$ 18,880

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 5 for details of expense-related arrangements with Price Associates.

⁽³⁾ See Note 5. Includes the effect of voluntary management fee waivers and operating expense reimbursements (0.28%, 0.00%, 0.00%, 0.00% and 0.15% of average net assets) for the years ended 12/31/20, 12/31/19, 12/31/18, 12/31/17 and 12/31/16, respectively.

⁽⁴⁾ Amounts round to less than \$0.01 per share.

⁽⁵⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

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

T. ROWE PRICE GOVERNMENT MONEY PORTFOLIO

December 31, 2020

PORTFOLIO OF INVESTMENTS [†]	Par	\$ Value
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(Amounts in 000s)

U.S. GOVERNMENT AGENCY DEBT 22.7% (1)

Federal Home Loan Bank 0.10%, 1/12/21	750	750
Federal Home Loan Bank 0.10%, 1/13/21	3,000	3,000
Federal Home Loan Bank 0.105%, 2/3/21	1,000	1,000
Federal Home Loan Bank 0.11%, 1/15/21	1,000	1,000
Federal Home Loan Bank 0.113%, 2/9/21	1,600	1,599
Federal Home Loan Bank, FRN, SOFR + 0.00%, 0.09%, 2/23/21	1,500	1,500
Total U.S. Government Agency Debt (Cost \$8,849)		8,849

U.S. GOVERNMENT AGENCY REPURCHASE AGREEMENTS 9.2% (2)

Credit Agricole, Tri-Party, Dated 12/31/20, 0.08%, Delivery Value of \$3,580,032 on 1/4/21, Collateralized by U.S. Government securities, 2.00%, 9/1/50, valued at \$3,651,600	3,580	3,580
Total U.S. Government Agency Repurchase Agreements (Cost \$3,580)		3,580

U.S. TREASURY DEBT 69.4%

U.S. Treasury Bills 0.08%, 3/11/21	1,415	1,415
U.S. Treasury Bills 0.08%, 4/8/21	900	900
U.S. Treasury Bills 0.082%, 3/18/21	1,900	1,899
U.S. Treasury Bills 0.085%, 3/4/21	1,000	1,000
U.S. Treasury Bills 0.085%, 3/16/21	500	500
U.S. Treasury Bills 0.085%, 4/6/21	400	400
U.S. Treasury Bills 0.085%, 4/15/21	600	600
U.S. Treasury Bills 0.09%, 2/23/21	425	425
U.S. Treasury Bills 0.09%, 3/25/21	430	430

	Par	\$ Value
--	-----	----------

(Amounts in 000s)

U.S. Treasury Bills 0.09%, 4/22/21	403	403
U.S. Treasury Bills 0.09%, 5/4/21	500	500
U.S. Treasury Bills 0.09%, 5/27/21	400	400
U.S. Treasury Bills 0.091%, 6/24/21	234	234
U.S. Treasury Bills 0.095%, 1/7/21	1,000	1,000
U.S. Treasury Bills 0.095%, 1/19/21	600	600
U.S. Treasury Bills 0.095%, 4/1/21	1,319	1,318
U.S. Treasury Bills 0.095%, 6/1/21	205	205
U.S. Treasury Bills 0.096%, 4/20/21	1,320	1,319
U.S. Treasury Bills 0.097%, 2/25/21	1,500	1,500
U.S. Treasury Bills 0.097%, 3/2/21	1,250	1,250
U.S. Treasury Bills 0.10%, 1/5/21	380	380
U.S. Treasury Bills 0.10%, 1/21/21	1,000	1,000
U.S. Treasury Bills 0.10%, 5/20/21	600	600
U.S. Treasury Bills 0.104%, 2/18/21	1,650	1,650
U.S. Treasury Bills 0.105%, 2/9/21	500	500
U.S. Treasury Bills 0.105%, 2/11/21	1,900	1,900
U.S. Treasury Bills 0.106%, 1/26/21	1,770	1,770
U.S. Treasury Bills 0.107%, 2/4/21	800	800
U.S. Treasury Bills 0.109%, 5/13/21	500	500
U.S. Treasury Bills 0.11%, 1/14/21	1,000	1,000
U.S. Treasury Bills 0.11%, 12/2/21	312	311

	Par	\$ Value
(Amounts in 000s)		
U.S. Treasury Bills		
0.135%, 11/4/21	400	399
Total U.S. Treasury Debt		
(Cost \$27,108)		27,108
Total Investments in Securities		
101.3% of Net Assets (Cost \$39,537)	\$	39,537

‡ Par is denominated in U.S. dollars unless otherwise noted.

(1) Issuer operates under a Congressional charter; its securities are neither issued nor guaranteed by the U.S. government. The Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, including UMBS, currently operate under a federal conservatorship.

(2) See Note 3. Collateralized by U.S. government securities valued at \$3,652 at December 31, 2020.

FRN Floating Rate Note

SOFR Secured Overnight Financing Rate

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

T. ROWE PRICE GOVERNMENT MONEY PORTFOLIO

December 31, 2020

STATEMENT OF ASSETS AND LIABILITIES

(\$000s, except shares and per share amounts)

Assets

Investments in securities, at value (cost \$39,537)	\$	39,537
Receivable for shares sold		11
Cash		6
Total assets		<u>39,554</u>

Liabilities

Payable for investment securities purchased		500
Payable for shares redeemed		24
Investment management and administrative fees payable		11
Total liabilities		<u>535</u>

NET ASSETS	\$	<u>39,019</u>
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Net Assets Consist of:

Paid-in capital applicable to 39,000,178 shares of \$0.0001 par value capital stock outstanding; 1,000,000,000 shares of the Corporation authorized	\$	39,019
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NET ASSETS	\$	<u>39,019</u>
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NET ASSET VALUE PER SHARE	\$	<u>1.00</u>
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The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS

(\$000s)

	Year Ended 12/31/20
Investment Income (Loss)	
Interest income	\$ 194
Expenses	
Investment management and administrative expense	208
Voluntary management fee waivers and expense reimbursements	(105)
Net expenses	103
Net investment income	91
INCREASE IN NET ASSETS FROM OPERATIONS	\$ 91

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

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	Year Ended 12/31/20	12/31/19
Increase (Decrease) in Net Assets		
Operations		
Net investment income	\$ 91	\$ 594
Distributions to shareholders		
Net earnings	(91)	(594)
Capital share transactions*		
Shares sold	18,168	8,029
Distributions reinvested	91	594
Shares redeemed	(14,588)	(7,864)
Increase in net assets from capital share transactions	3,671	759
Net Assets		
Increase during period	3,671	759
Beginning of period	35,348	34,589
End of period	\$ 39,019	\$ 35,348

*Capital share transactions at net asset value of \$1.00 per share.

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

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price Fixed Income Series, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The Government Money Portfolio (the fund) is a diversified, open-end management investment company established by the corporation. The fund seeks preservation of capital, liquidity, and, consistent with these, the highest possible current income. Shares of the fund currently are offered only to insurance company separate accounts established for the purpose of funding variable annuity contracts and variable life insurance policies. The fund intends to operate as a government money market fund and has no intention to voluntarily impose liquidity fees on redemptions or temporarily suspend redemptions.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Investment Transactions, Investment Income, and Distributions Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Premiums and discounts on debt securities are amortized for financial reporting purposes. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Distributions to shareholders are recorded on the ex-dividend date. Income distributions are declared daily and paid monthly. A capital gain distribution may also be declared and paid by the fund annually.

Capital Transactions Each investor's interest in the net assets of the fund is represented by fund shares. The fund's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET, each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. Purchases and redemptions of fund shares are transacted at the next-computed NAV per share, after receipt of the transaction order by T. Rowe Price Associates, Inc., or its agents.

New Accounting Guidance In March 2020, the FASB issued Accounting Standards Update (ASU), ASU 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides optional, temporary relief with respect to the financial reporting of contracts subject to certain types of modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021. The guidance is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management expects that the adoption of the guidance will not have a material impact on the fund's financial statements.

Indemnification In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

NOTE 2 - VALUATION

The fund's financial instruments are valued at the close of the NYSE and are reported at fair value, which GAAP defines 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. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value. The T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures, including the comparison of amortized cost to market-based value, and approves all fair value determinations. Specifically, the Valuation Committee establishes policies and procedures used in valuing financial instruments, including those which cannot be valued in accordance with normal procedures;

determines pricing techniques, sources, and persons eligible to effect fair value pricing actions; oversees the pricing process to ensure policies and procedures are being followed; and provides guidance on internal controls and valuation-related matters. The Valuation Committee provides periodic reporting to the Board on valuation matters.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs (including the fund's own assumptions in determining fair value)

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

In accordance with Rule 2a-7 under the 1940 Act, the fund values its securities at amortized cost, which approximates fair value. Securities for which amortized cost is deemed not to reflect fair value are stated at fair value as determined in good faith by the Valuation Committee, in accordance with fair valuation policies and procedures. On December 31, 2020, all of the fund's financial instruments were classified as Level 2 in the fair value hierarchy.

NOTE 3 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Repurchase Agreements The fund engages in repurchase agreements, pursuant to which it pays cash to and receives securities from a counterparty that agrees to "repurchase" the securities at a specified time, typically within seven business days, for a specified price. The fund enters into such agreements with well-established securities dealers or banks that are members of the Federal Reserve System and are on Price Associates' approved list. All repurchase agreements are fully collateralized by U.S. government or related agency securities, which are held by the custodian designated by the agreement. Collateral is evaluated daily to ensure that its market value exceeds the delivery value of the repurchase agreements at maturity. Although risk is mitigated by the collateral, the fund could experience a delay in recovering its value and a possible loss of income or value if the counterparty fails to perform in accordance with the terms of the agreement.

LIBOR The fund may invest in instruments that are tied to reference rates, including LIBOR. On July 27, 2017, the United Kingdom's Financial Conduct Authority announced a decision to transition away from LIBOR by the end of 2021. There remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement rate. Any potential effects of the transition away from LIBOR on the fund, or on certain instruments in which the fund invests, are not known. The transition process may result in, among other things, an increase in volatility or illiquidity of markets for instruments that currently rely on LIBOR, a reduction in the value of certain instruments held by the fund, or a reduction in the effectiveness of related fund transactions such as hedges. Any such effects could have an adverse impact on the fund's performance.

NOTE 4 - FEDERAL INCOME TAXES

Generally, no provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund's tax returns are subject to examination by the 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.

Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences.

Distributions during the years ended December 31, 2020 and December 31, 2019, totaled \$91,000 and \$594,000, respectively, and were characterized as ordinary income for tax purposes. At December 31, 2020, the tax-basis cost of investments and components of net assets were as follows:

(\$000s)	
Cost of investments	\$ 39,537
Paid-in capital	39,019
Net assets	\$ 39,019

NOTE 5 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management and administrative agreement between the fund and Price Associates provides for an all-inclusive annual fee equal to 0.55% of the fund's average daily net assets. The fee is computed daily and paid monthly. The all-inclusive fee covers investment management services and ordinary, recurring operating expenses but does not cover interest expense; expenses related to borrowing, taxes, and brokerage; or nonrecurring expenses.

Price Associates may voluntarily waive all or a portion of its management fee and reimburse operating expenses to the extent necessary for the fund to maintain a zero or positive net yield (voluntary waiver). Any amounts waived/paid by Price Associates under this voluntary agreement are not subject to repayment by the fund. Price Associates may amend or terminate this voluntary arrangement at any time without prior notice. For the year ended December 31, 2020, expenses waived/paid totaled \$105,000.

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the year ended December 31, 2020, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

NOTE 6 - OTHER MATTERS

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which a fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks. During 2020, a novel strain of coronavirus (COVID-19) resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

These types of events, such as the global pandemic caused by COVID-19, may also cause widespread fear and uncertainty, and result in, among other things: enhanced health screenings, quarantines, cancellations, and travel restrictions, including border closings; disruptions to business operations, supply chains and customer activity; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; reductions in consumer demand and economic output; and significant challenges in healthcare service preparation and delivery. The fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of the fund, its investment advisers, and the fund's service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operational systems, extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies.

Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets. The impact of this outbreak has adversely affected the economies of many nations and the entire global economy and may impact individual issuers and capital markets in ways that cannot be foreseen. Other infectious illness outbreaks that may arise in the future could have similar or other unforeseen effects. The duration of this outbreak or others and their effects cannot be determined with certainty.

Report of Independent Registered Public Accounting Firm**To the Board of Directors of T. Rowe Price Fixed Income Series, Inc. and
Shareholders of T. Rowe Price Government Money Portfolio****Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price Government Money Portfolio (one of the portfolios constituting T. Rowe Price Fixed Income Series, Inc., referred to hereafter as the “Fund”) as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Baltimore, Maryland
February 9, 2021

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds and portfolios to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

<https://www.troweprice.com/corporate/en/utility/policies.html>

Scroll down to the section near the bottom of the page that says, "Proxy Voting Policies." Click on the Proxy Voting Policies link in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

Effective for reporting periods on or after March 1, 2019, a fund, except a money market fund, files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. Prior to March 1, 2019, a fund, including a money market fund, filed a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. A money market fund files detailed month-end portfolio holdings information on Form N-MFP with the SEC each month and posts a complete schedule of portfolio holdings on its website (troweprice.com) as of each month-end for the previous six months. A fund's Forms N-PORT, N-MFP, and N-Q are available electronically on the SEC's website (sec.gov).

ABOUT THE PORTFOLIO'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund's officers, who are listed in the final table. At least 75% of the Board's members are considered to be independent, i.e., not "interested persons" as defined in Section 2(a)(19) of the 1940 Act, of the Boards of T. Rowe Price Associates, Inc. (T. Rowe Price), and its affiliates; "interested" directors and officers are employees of T. Rowe Price. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

INDEPENDENT DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
Teresa Bryce Bazemore (1959) 2018 [190]	President, Radian Guaranty (2008 to 2017); Chief Executive Officer, Bazemore Consulting LLC (2018 to present); Director, Chimera Investment Corporation (2017 to present); Director, First Industrial Realty Trust (2020 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to 2019)
Ronald J. Daniels (1959) 2018 [190]	President, The Johns Hopkins University ^(b) and Professor, Political Science Department, The Johns Hopkins University (2009 to present); Director, Lyndhurst Holdings (2015 to present); Director, BridgeBio Pharma, Inc. (2020 to present)
Bruce W. Duncan (1951) 2013 [190]	President, Chief Executive Officer, and Director, CyrusOne, Inc. (2020 to present); Chief Executive Officer and Director (2009 to 2016), Chairman of the Board (2016 to 2020), and President (2009 to 2016), First Industrial Realty Trust, owner and operator of industrial properties; Chairman of the Board (2005 to 2016) and Director (1999 to 2016), Starwood Hotels & Resorts, a hotel and leisure company; Member, Investment Company Institute Board of Governors (2017 to 2019); Member, Independent Directors Council Governing Board (2017 to 2019); Senior Advisor, KKR (2018 to present); Director, Boston Properties (2016 to present); Director, Marriott International, Inc. (2016 to 2020)
Robert J. Gerrard, Jr. (1952) 2013 [190]	Advisory Board Member, Pipeline Crisis/Winning Strategies, a collaborative working to improve opportunities for young African Americans (1997 to 2016); Chairman of the Board, all funds (since July 2018)
Paul F. McBride (1956) 2013 [190]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)
Cecilia E. Rouse, Ph.D. (1963) 2013 [190]	Dean, Princeton School of Public and International Affairs (2012 to present); Professor and Researcher, Princeton University (1992 to present); Director of Education Studies Committee, MDRC, a nonprofit education and social policy research organization (2011 to 2020); Member, National Academy of Education (2010 to present); Board Member, National Bureau of Economic Research (2011 to present); Board Member of the Council on Foreign Relations (2018 to present); Board Member, The Pennington School (2017 to present); Board Member, the University of Rhode Island (2020 to present); Chair of Committee on the Status of Minority Groups in the Economic Profession of the American Economic Association (2012 to 2018); Vice President (2015 to 2016) and Board Member (2018 to present), American Economic Association
John G. Schreiber (1946) 1994 [190]	Owner/President, Centaur Capital Partners, Inc., a real estate investment company (1991 to present); Cofounder, Partner, and Cochairman of the Investment Committee, Blackstone Real Estate Advisors, L.P. (1992 to 2015); Director, Blackstone Mortgage Trust, a real estate finance company (2012 to 2016); Director and Chairman of the Board, Brixmor Property Group, Inc. (2013 to present); Director, Hilton Worldwide (2007 to present); Director, Hudson Pacific Properties (2014 to 2016); Director, Invitation Homes (2014 to 2017); Director, JMB Realty Corporation (1980 to present)

^(a)All information about the independent directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

^(b)William J. Stromberg, president and chief executive officer of T. Rowe Price Group, Inc., the parent company of the Price Funds' investment advisor, has served on the Board of Trustees of Johns Hopkins University since 2014.

INTERESTED DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
David Oestreicher (1967) 2018 [190]	General Counsel, Vice President, and Secretary, T. Rowe Price Group, Inc.; Chairman of the Board, Chief Executive Officer, President, and Secretary, T. Rowe Price Trust Company; Director, Vice President, and Secretary, T. Rowe Price, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.; Vice President and Secretary, T. Rowe Price International; Vice President, T. Rowe Price Hong Kong (Price Hong Kong), T. Rowe Price Japan (Price Japan), and T. Rowe Price Singapore (Price Singapore); Principal Executive Officer and Executive Vice President, all funds
Robert W. Sharps, CFA, CPA (1971) 2019 [190]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company;

^(a)All information about the interested directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

OFFICERS

Name (Year of Birth) Position Held With Fixed Income Series	Principal Occupation(s)
Colin T. Bando, CFA (1987) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Stephen L. Bartolini, CFA (1977) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Darrell N. Braman (1963) Vice President	Vice President, Price Hong Kong, Price Singapore, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, T. Rowe Price Investment Services, Inc., and T. Rowe Price Services, Inc.
Jason T. Collins, CFA (1971) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
M. Helena Condez (1962) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Michael P. Daley (1981) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Levent Demirekler, CFA (1974) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Alan S. Dupski, CPA (1982) Principal Financial Officer, Vice President, and Treasurer	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Stephanie A. Gentile, CFA (1956) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
John R. Gilner (1961) Chief Compliance Officer	Chief Compliance Officer and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Investment Services, Inc.
Gary J. Greb (1961) Vice President	Vice President, T. Rowe Price, T. Rowe Price International, and T. Rowe Price Trust Company
Charles B. Hill, CFA (1961) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Keir R. Joyce, CFA (1972) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

OFFICERS (CONTINUED)

Name (Year of Birth) Position Held With Fixed Income Series	Principal Occupation(s)
Steven M. Kohlenstein, CFA (1987) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Paul J. Krug, CPA (1964) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Alan D. Levenson, Ph.D. (1958) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Joseph K. Lynagh, CFA (1958) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Cheryl A. Mickel, CFA (1967) President	Director and Vice President, T. Rowe Price Trust Company; Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Alexander S. Obaza (1981) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Fran M. Pollack-Matz (1961) Vice President and Secretary	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Shannon H. Rauser (1987) Assistant Secretary	Assistant Vice President, T. Rowe Price
Michael F. Reinartz, CFA (1973) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Chen Shao (1980) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Jeanny Silva (1975) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Douglas D. Spratley, CFA (1969) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Megan Warren (1968) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; formerly, Executive Director, JPMorgan Chase (to 2017)

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

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T.RowePrice®

100 East Pratt Street
Baltimore, MD 21202

Call 1-800-225-5132 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.



ANNUAL REPORT

December 31, 2020

T. ROWE PRICE

Limited-Term Bond Portfolio

For more insights from T. Rowe Price investment professionals,
go to **[troweprice.com](https://www.troweprice.com)**.

HIGHLIGHTS

- The Limited-Term Bond Portfolio outperformed its benchmark and its Lipper peer group average in the 12 months ended December 31, 2020.
- Sector allocation boosted relative gains as credit markets rebounded following the coronavirus sell-off.
- We were active in asset-backed securities, commercial mortgage-backed securities, and corporate bond deals as issuance picked up in the fall and spreads looked attractive before tightening meaningfully.
- We believe a strong economic recovery is likely in the second half of 2021 if vaccines can rapidly bring down coronavirus infection rates, although the first few months of the year will likely be challenging as pandemic-related restrictions weigh on growth.

Go Paperless

Sign up for e-delivery of your statements, confirmations, and prospectuses or shareholder reports.



TO ENROLL:

If you invest directly with T. Rowe Price, go to **troweprice.com/paperless**.

If you invest through an investment advisor, a bank, or a brokerage firm, please contact that organization and ask if it can provide electronic documentation.

It's fast—receive your statements and confirmations faster than U.S. mail.

It's convenient—access your important account documents whenever you need them.

It's secure—we protect your online accounts using “True Identity” to confirm new accounts and make verification faster and more secure.

It can save you money—where applicable, T. Rowe Price passes on the cost savings to fund holders.*

Log in to your account at **troweprice.com** for more information.

*Certain mutual fund accounts that are assessed an annual account service fee can also save money by switching to e-delivery.

Dear Investor

Nearly all major stock and bond indexes produced positive results during 2020 as markets recovered from the steep sell-off that resulted from the spread of the coronavirus. Extraordinary fiscal and monetary support from global governments and central banks helped spur the rebound, although the pandemic continued to pose significant public health and economic challenges as the year came to an end.

In the U.S., the large-cap Dow Jones Industrial Average and S&P 500 Index reached record highs, as did the technology-heavy Nasdaq Composite Index—a result that few would have predicted in late March after the benchmarks tumbled more than 30% as governments instituted lockdowns to try to halt the spread of the virus. Large-cap information technology and internet-related firms helped lead the rebound as they benefited from the work-from-home environment and an acceleration in demand for online services.

Within the S&P 500, the technology and consumer discretionary sectors were the top performers, and communication services and materials stocks also outperformed. Despite a late rally, the energy sector trailed with significant losses due to a plunge in oil prices.

Most equity markets outside the U.S. also performed well. Emerging markets outpaced developed markets, and Asian shares delivered strong results as China and other countries in the region proved relatively successful in containing the coronavirus.

Growth stocks significantly outpaced their value counterparts for the full year; however, value shares rallied late in the period. Positive vaccine news in November raised hopes for a return to normalcy in 2021 and boosted sectors that had been beaten down in the initial phases of the pandemic.

Within the fixed income universe, corporate bonds delivered strong results as the market easily absorbed a torrent of new issuance. After falling to record lows in March, intermediate- and longer-term Treasury yields ticked higher later in the year but remained very low by historical standards, a factor that encouraged investors to seek out riskier securities with higher return potential.

While investors had reason to cheer the market's recovery, the global economic outlook remained unclear as the year came to an end. Most notable on the positive side was the start of vaccine distributions, which provided hope that the pandemic was in its final phase. In addition, Congress passed a

\$900 billion coronavirus relief package, supplementing the \$2.4 trillion allocated to address the crisis earlier in the year, and the Fed continued to pledge very accommodative monetary policies for the foreseeable future. Meanwhile, political uncertainty diminished with Joe Biden's victory in the U.S. presidential election and the completion of a Brexit trade deal between the UK and the European Union.

On the negative side, concerns about a resurgence in virus hospitalizations led to new lockdowns and business restrictions in many countries, which in turn appeared to threaten economic recoveries. In the U.S., after a strong recovery in the summer and fall, the pace of hiring slowed late in the year, and household spending declined in November for the first time since April.

It was a remarkable 12-month period in many ways, but as far as markets are concerned, I can recall no calendar year that so starkly displayed evidence of both fear and greed. Fear emerged during the March sell-off and again in April as oil futures briefly traded in negative territory. Greed surfaced later as some assets seemed to continue to rally without fundamental support. Bitcoin rocketed to a record high of \$29,000 by year-end, and the amount of money raised by initial public offerings also climbed to historic levels. While valuations are still attractive in some areas of the market, other sectors appear to have already priced in a strong rebound in earnings and are trading at elevated levels.

There are both risks and potential rewards in this environment, and we believe strong fundamental analysis and skilled active security selection will remain critical components of investment success.

Thank you for your continued confidence in T. Rowe Price.

Sincerely,



Robert Sharps
Group Chief Investment Officer

INVESTMENT OBJECTIVE

The fund seeks a high level of income consistent with moderate fluctuations in principal value.

How did the fund perform in the past 12 months?

The Limited-Term Bond Portfolio returned 4.71% in the 12 months ended December 31, 2020, outperforming its benchmark, the Bloomberg Barclays 1–3 Year U.S. Government/Credit Bond Index. The portfolio outperformed its Lipper peer group average as well. (Returns for II Class shares varied slightly, reflecting their different fee structure. *Past performance cannot guarantee future results.*)

PERFORMANCE COMPARISON

Periods Ended 12/31/20	Total Return	
	6 Months	12 Months
Limited-Term Bond Portfolio	2.14%	4.71%
Limited-Term Bond Portfolio–II	2.01	4.46
Bloomberg Barclays 1–3 Year U.S. Government/Credit Bond Index	0.44	3.33
Lipper Variable Annuity Underlying Short Investment Grade Debt Funds Average	1.46	3.18

What factors influenced the fund's performance?

In March, global financial markets were roiled by measures taken to contain the coronavirus outbreak that halted global trade. U.S. Treasury yields and oil prices fell to record lows. The U.S. Federal Reserve cut its target overnight rate by 150 basis points to a range of 0.00%–0.25% and introduced wide-reaching programs to support liquidity. (One hundred basis points equal one percentage point.) At the end of March, the U.S. government passed fiscal stimulus legislation equivalent to almost 10% of gross domestic product. For the rest of 2020, credit markets rebounded and recovered significantly. Corporate bonds were among the best performers in the investment-grade universe, as credit spreads tightened amid healthy demand for securities with a yield advantage while better-than-expected corporate earnings reports provided fundamental support. Securitized credit sectors also rebounded from the liquidity challenges that upset markets early in the year.

Sector allocations were the largest contributor to relative outperformance. Our overweight to corporate bonds, out-of-benchmark exposure to agency mortgage-backed securities and securitized credit, as well as an underweight to Treasuries largely drove relative returns. Credit markets, both corporate bonds and securitized credits, experienced the worst sell-off since the global financial crisis of 2008–2009, then strongly recovered almost immediately. The Federal Reserve and other

key central banks quickly enacted measures, such as dropping policy rates to zero and implementing large-scale asset purchase programs to stimulate demand and liquidity, to support financial markets through increased volatility and uncertainty. Against this accommodative backdrop, credit sectors outperformed significantly after the coronavirus-induced sell-off. With many central banks enacting extremely accommodative monetary policies, the market's appetite for yield surged during the period, which led to strong performance generally across credit sectors. A small non-benchmark exposure to crossover corporate credit also added to performance. (Crossover bonds are split rated on the lower end of the investment-grade credit ratings spectrum or the highest end of the non-investment-grade ratings spectrum.)

Security selection within investment-grade corporates further added to gains. The portfolio benefited from its energy-related holdings as oil prices rebounded over the period. Other overweight and non-benchmark exposure to industries that particularly benefited from the reopening of the economy, such as real estate investment trusts, retail, and airlines, performed well. However, some corporate holdings that were more exposed to the global economic shutdown, such as airlines, detracted for the period despite a significant rebound in the second half of 2021.

How is the fund positioned?

Relative to the benchmark, we continue to underweight U.S. Treasuries while aiming to add yield by overweighting non-Treasury sectors and taking out-of-benchmark positions in higher-yielding securitized debt. For a short-term bond portfolio, we believe yield plays a greater role than price appreciation in generating excess returns and limiting volatility. As corporate bonds and securitized issues typically have greater yields than Treasuries, advantageous yield can be achieved by selectively overweighting these sectors in the portfolio.

Corporate debt represented 51% of the portfolio at the end of the period, and much of that was BBB rated, which is often debt that our research analysts believe is mispriced and represents attractive relative value. The portfolio's exposure to credit risk modestly decreased during the period due to the limited supply of new short-dated corporate debt that has been issued recently. To maintain the portfolio's positioning, we are buying bonds that we believe offer compelling relative value to replace holdings that mature, are called, or roll down the yield curve. We were active in asset-backed securities, commercial mortgage-backed securities, and corporate bond deals as issuance picked up in the fall and spreads looked attractive before tightening meaningfully.

Additionally, the portfolio maintains material holdings in interest rate derivatives, primarily for hedging risk or managing exposure to certain parts of the yield curve.

CREDIT QUALITY DIVERSIFICATION

Quality Rating	Percent of Net Assets	
	6/30/20	12/31/20
U.S. Government		
Agency Securities*	4%	4%
U.S. Treasury**	9	9
AAA	15	14
AA	7	7
A	21	21
BBB	39	40
BB and Below	5	5
Reserves	0	0
Total	100%	100%

*U.S. government agency securities include GNMA securities and conventional pass-throughs, collateralized mortgage obligations, and project loans. U.S. government agency securities, unlike Treasuries, are not issued directly by the U.S. government and are generally unrated but have credit support from the U.S. Treasury (in the case of Freddie Mac and Fannie Mae issues) or a direct government guarantee (in the case of Ginnie Mae issues). Unrated securities totaled -0.05% of the portfolio at the end of the reporting period. The negative percentage of not rated securities is attributable to derivative holdings.

**U.S. Treasury securities are issued by the U.S. Treasury and are backed by the full faith and credit of the U.S. government. The ratings of U.S. Treasury securities are derived from the ratings on the U.S. government.

Sources: Moody's Investors Service; if Moody's does not rate a security, then Standard & Poor's (S&P) is used as a secondary source. When available, Fitch will be used for securities that are not rated by Moody's or S&P. T. Rowe Price does not evaluate these ratings but simply assigns them to the appropriate credit quality category as determined by the rating agency.

What is portfolio management's outlook?

We believe a strong economic recovery is likely in the second half of 2021 if vaccines can rapidly bring down infection rates, although the first few months of the year will likely be challenging as pandemic-related restrictions weigh on growth. In addition, the Federal Reserve's extremely accommodative policies will help support the economy and keep short-term interest rates low for the foreseeable future.

Although the economic outlook is generally favorable, valuations in the fixed income market no longer appear as attractive as they did after central banks launched their rescue operations in the first half of 2020, and investment-grade credit spreads have moved closer to their historical norms. In addition, corporate fundamentals are mixed as the effect of the pandemic on different sectors has been uneven.

In such a climate, active sector and security selection are likely to play critical roles in seeking yield and managing risk, and we believe that our research platform is well positioned to capitalize on the current market environment.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

RISKS OF INVESTING IN FIXED INCOME SECURITIES

Funds that invest in fixed income securities are subject to price declines due to rising interest rates, with long-term securities generally most sensitive to rate fluctuations. Other risks include credit rating downgrades and defaults on scheduled interest and principal payments. Mortgage-backed securities are subject to prepayment risk, particularly if falling rates lead to heavy refinancing activity, and extension risk, which is an increase in interest rates that causes a fund's average maturity to lengthen unexpectedly due to a drop in mortgage prepayments. This would increase the fund's sensitivity to rising interest rates and its potential for price declines.

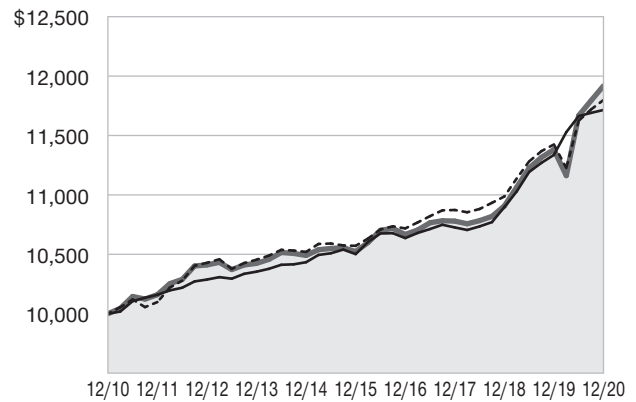
BENCHMARK INFORMATION

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GROWTH OF \$10,000

This chart shows the value of a hypothetical \$10,000 investment in the portfolio over the past 10 fiscal year periods or since inception (for portfolios lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from portfolio returns as well as mutual fund averages and indexes.

LIMITED-TERM BOND PORTFOLIO**As of 12/31/20**

— Limited-Term Bond Portfolio	\$ 11,917
— Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index	11,715
--- Lipper Variable Annuity Underlying Short Investment Grade Debt Funds Average	11,798

Note: Performance for the II Class will vary due to its differing fee structure. See the Average Annual Compound Total Return table.

AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 12/31/20	1 Year	5 Years	10 Years
Limited-Term Bond Portfolio	4.71%	2.52%	1.77%
Limited-Term Bond Portfolio-II	4.46	2.27	1.52

The fund's performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please contact a T. Rowe Price representative at 1-800-469-6587 (financial advisors, or customers who have an advisor, should call 1-800-638-8790). Total returns do not include charges imposed by your insurance company's separate account. If these had been included, performance would have been lower.

This table shows how the portfolio would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. When assessing performance, investors should consider both short- and long-term returns.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Shares of the fund are currently offered only through certain insurance companies as an investment medium for both variable annuity contracts and variable life insurance policies. Please note that the fund has two classes of shares: the original share class and the II Class. II Class shares are sold through financial intermediaries, which are compensated for distribution, shareholder servicing, and/or certain administrative services under a Board-approved Rule 12b-1 plan.

Actual Expenses

The first line of the following table (Actual) provides information about actual account values and actual expenses. You may use the information on this line, together with your account balance, 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 on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other 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.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

LIMITED-TERM BOND PORTFOLIO

	Beginning Account Value 7/1/20	Ending Account Value 12/31/20	Expenses Paid During Period* 7/1/20 to 12/31/20
Limited-Term Bond Portfolio			
Actual	\$1,000.00	\$1,021.40	\$2.54
Hypothetical (assumes 5% return before expenses)	1,000.00	1,022.62	2.54
Limited-Term Bond Portfolio—II			
Actual	1,000.00	1,020.10	3.81
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.37	3.81

*Expenses are equal to the fund's annualized expense ratio for the 6-month period, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184), and divided by the days in the year (366) to reflect the half-year period. The annualized expense ratio of the Limited-Term Bond Portfolio was 0.50%, and the Limited-Term Bond Portfolio—II was 0.75%.

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Limited-Term Bond Portfolio Class

	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE					
Beginning of period	\$ 4.87	\$ 4.78	\$ 4.82	\$ 4.84	\$ 4.84
Investment activities					
Net investment income ^{(1) (2)}	0.10	0.11	0.09	0.06	0.05
Net realized and unrealized gain / loss	0.13	0.10	(0.03)	(0.01)	0.02
Total from investment activities	0.23	0.21	0.06	0.05	0.07
Distributions					
Net investment income	(0.10)	(0.12)	(0.10)	(0.07)	(0.07)
NET ASSET VALUE					
End of period	\$ 5.00	\$ 4.87	\$ 4.78	\$ 4.82	\$ 4.84

Ratios/Supplemental Data

Total return^{(2) (3)}	4.71%	4.35%	1.18%	1.05%	1.37%
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates ⁽⁴⁾	0.70%	0.70%	0.60%	0.70%	0.70%
Net expenses after waivers/payments by Price Associates	0.50%	0.50%	0.60%	0.70%	0.70%
Net investment income	2.04%	2.37%	1.93%	1.29%	1.05%
Portfolio turnover rate	70.4%	61.1%	52.6%	55.9%	58.0%
Net assets, end of period (in thousands)	\$ 139,173	\$ 455,521	\$ 434,175	\$ 443,270	\$ 390,964

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 6 for details of expense-related arrangements with Price Associates.

⁽³⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

⁽⁴⁾ See Note 6. Prior to 12/31/19, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

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

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Limited-Term Bond Portfolio-II Class

	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE					
Beginning of period	\$ 4.85	\$ 4.76	\$ 4.80	\$ 4.82	\$ 4.82
Investment activities					
Net investment income ^{(1) (2)}	0.08	0.10	0.08	0.05	0.04
Net realized and unrealized gain / loss	0.13	0.09	(0.04)	(0.01)	0.01
Total from investment activities	0.21	0.19	0.04	0.04	0.05
Distributions					
Net investment income	(0.08)	(0.10)	(0.08)	(0.06)	(0.05)
NET ASSET VALUE					
End of period	\$ 4.98	\$ 4.85	\$ 4.76	\$ 4.80	\$ 4.82

Ratios/Supplemental Data

Total return^{(2) (3)}	4.46%	4.10%	0.93%	0.81%	1.12%
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates ⁽⁴⁾	0.95%	0.95%	0.84%	0.95%	0.95%
Net expenses after waivers/payments by Price Associates	0.75%	0.75%	0.84%	0.95%	0.95%
Net investment income	1.68%	2.11%	1.72%	1.09%	0.77%
Portfolio turnover rate	70.4%	61.1%	52.6%	55.9%	58.0%
Net assets, end of period (in thousands)	\$ 15,503	\$ 16,613	\$ 15,247	\$ 7,378	\$ 9,979

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 6 for details of expense-related arrangements with Price Associates.

⁽³⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

⁽⁴⁾ See Note 6. Prior to 12/31/19, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

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

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

December 31, 2020

PORTFOLIO OF INVESTMENTS†**Par/Shares \$ Value**

(Amounts in 000s)

CORPORATE BONDS 50.9%**FINANCIAL INSTITUTIONS 18.0%****Banking 12.8%**

Banco Bilbao Vizcaya Argentaria 0.875%, 9/18/23	400	402
Bank of America 2.503%, 10/21/22	175	178
Bank of America, FRN, 3M USD LIBOR + 0.65%, 0.901%, 6/25/22	240	241
Bank of America, FRN, 3M USD LIBOR + 1.16%, 1.378%, 1/20/23	400	404
Bank of America, VR, 0.81%, 10/24/24 (1)	135	136
Banque Federative du Credit Mutuel 0.65%, 2/27/24 (2)	235	235
Banque Federative du Credit Mutuel 2.125%, 11/21/22 (2)	520	536
Barclays Bank 1.70%, 5/12/22	365	371
BDO Unibank 2.95%, 3/6/23	1,200	1,249
BPCE 5.70%, 10/22/23 (2)	200	226
BPCE, FRN, 3M USD LIBOR + 1.22%, 1.433%, 5/22/22 (2)	400	405
Capital One Financial 3.20%, 1/30/23	195	205
Capital One Financial 3.50%, 6/15/23	140	150
Capital One Financial 3.90%, 1/29/24	145	159
Citigroup 2.90%, 12/8/21	400	409
Citigroup, VR, 2.312%, 11/4/22 (1)	330	335
Citigroup, VR, 3.106%, 4/8/26 (1)	240	262
Cooperatieve Rabobank 3.95%, 11/9/22	540	573
Credicorp 2.75%, 6/17/25 (2)	200	208
Credit Agricole, FRN, 3M USD LIBOR + 1.02%, 1.235%, 4/24/23 (2)	470	475

Par/Shares \$ Value

(Amounts in 000s)

Credit Suisse 1.00%, 5/5/23	635	645
Danske Bank 5.00%, 1/12/22 (2)	385	401
Danske Bank, VR, 3.001%, 9/20/22 (1)(2)	550	558
Deutsche Bank 3.15%, 1/22/21	310	310
Deutsche Bank 3.375%, 5/12/21	100	101
Deutsche Bank 4.25%, 10/14/21	345	354
Deutsche Bank, FRN, 3M USD LIBOR + 1.29%, 1.51%, 2/4/21	350	350
First Niagara Financial Group 7.25%, 12/15/21	145	154
Goldman Sachs Group 3.50%, 4/1/25	250	278
Goldman Sachs Group 5.75%, 1/24/22	490	518
Goldman Sachs Group, FRN, 3M USD LIBOR + 0.78%, 0.994%, 10/31/22	300	301
Goldman Sachs Group, FRN, 3M USD LIBOR + 1.11%, 1.325%, 4/26/22	300	301
HSBC Holdings, VR, 1.645%, 4/18/26 (1)	225	230
HSBC Holdings, VR, 2.099%, 6/4/26 (1)	590	612
ING Groep, FRN, 3M USD LIBOR + 1.15%, 1.401%, 3/29/22	275	278
JPMorgan Chase, VR, 2.083%, 4/22/26 (1)	460	486
Lloyds Banking Group, VR, 1.326%, 6/15/23 (1)	200	201
Mitsubishi UFJ Financial Group 3.218%, 3/7/22	330	341
Mitsubishi UFJ Financial Group, FRN, 3M USD LIBOR + 0.92%, 1.125%, 2/22/22	230	232
Morgan Stanley 2.75%, 5/19/22	280	289
Morgan Stanley, VR, 0.56%, 11/10/23 (1)	295	295
Natwest Group 3.875%, 9/12/23	380	412

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
NatWest Markets		
2.375%, 5/21/23 (2)	465	483
PNC Bank		
2.95%, 1/30/23	425	447
Santander U.K.		
2.10%, 1/13/23	460	475
Standard Chartered, FRN,		
3M USD LIBOR + 1.15%, 1.368%,		
1/20/23 (2)	365	367
Standard Chartered, VR,		
1.319%, 10/14/23 (1)(2)	200	201
Standard Chartered, VR,		
2.744%, 9/10/22 (1)(2)	315	318
State Street, VR,		
2.825%, 3/30/23 (1)	45	46
Swedbank		
1.30%, 6/2/23 (2)	365	371
Synchrony Financial		
2.85%, 7/25/22	897	926
Synchrony Financial		
3.75%, 8/15/21	310	315
UBS Group, FRN,		
3M USD LIBOR + 1.22%, 1.433%,		
5/23/23 (2)	340	344
Wells Fargo		
3.50%, 3/8/22	190	197
Wells Fargo, VR,		
1.654%, 6/2/24 (1)	215	220
Wells Fargo, VR,		
2.188%, 4/30/26 (1)	205	216
		19,732
Finance Companies 2.2%		
AerCap Ireland Capital		
3.95%, 2/1/22	455	468
AerCap Ireland Capital		
4.45%, 12/16/21	380	391
AerCap Ireland Capital		
4.50%, 9/15/23	250	270
Air Lease		
2.25%, 1/15/23	205	210
Air Lease		
2.50%, 3/1/21	80	80
Air Lease		
3.50%, 1/15/22	155	159
Avolon Holdings Funding		
2.875%, 2/15/25 (2)	250	253
Avolon Holdings Funding		
3.625%, 5/1/22 (2)	385	394
Avolon Holdings Funding		
3.95%, 7/1/24 (2)	75	79

	Par/Shares	\$ Value
(Amounts in 000s)		
Avolon Holdings Funding		
5.125%, 10/1/23 (2)	325	350
Park Aerospace Holdings		
5.25%, 8/15/22 (2)	215	225
SMBC Aviation Capital Finance		
3.55%, 4/15/24 (2)	235	250
SMBC Aviation Capital Finance		
4.125%, 7/15/23 (2)	200	213
		3,342
Financial Other 0.6%		
DAE Funding		
5.25%, 11/15/21 (2)	950	971
		971
Insurance 1.7%		
AIA Group, FRN,		
3M USD LIBOR + 0.52%, 0.759%,		
9/20/21 (2)	515	515
AIG Global Funding		
2.30%, 7/1/22 (2)	180	185
American International Group		
2.50%, 6/30/25	330	355
American International Group		
4.875%, 6/1/22	195	207
Aon		
2.80%, 3/15/21	390	391
Humana		
2.90%, 12/15/22	45	47
Humana		
3.15%, 12/1/22	85	89
Humana		
3.85%, 10/1/24	145	160
Humana		
4.50%, 4/1/25	145	167
Lincoln National		
4.00%, 9/1/23	75	82
Marsh & McLennan		
3.875%, 3/15/24	205	226
Trinity Acquisition		
3.50%, 9/15/21	180	183
		2,607
Real Estate Investment Trusts 0.7%		
Brixmor Operating Partnership		
3.25%, 9/15/23	310	327
Highwoods Realty		
3.625%, 1/15/23	145	151
Simon Property Group		
2.625%, 6/15/22	255	261

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
Simon Property Group		
3.375%, 10/1/24	280	304
Simon Property Group		
3.50%, 9/1/25	65	72
Ventas Realty		
3.10%, 1/15/23	50	53
		1,168
Total Financial Institutions		27,820
INDUSTRIAL 28.7%		
Basic Industry 1.0%		
LYB International Finance III		
1.25%, 10/1/25	180	183
Nucor		
2.00%, 6/1/25	80	84
POSCO		
2.375%, 11/12/22 (2)	1,175	1,209
		1,476
Capital Goods 1.6%		
Amphenol		
2.05%, 3/1/25	220	232
Boral Finance		
3.00%, 11/1/22 (2)	40	41
Carrier Global		
2.242%, 2/15/25	455	479
CNH Industrial Capital		
3.875%, 10/15/21	275	282
General Electric		
3.45%, 5/15/24	135	146
Roper Technologies		
2.35%, 9/15/24	90	96
Roper Technologies		
3.65%, 9/15/23	75	81
Vulcan Materials, FRN,		
3M USD LIBOR + 0.65%, 0.875%, 3/1/21	460	460
Yongda Investment		
2.25%, 6/16/25	600	613
		2,430
Communications 2.7%		
CC Holdings		
3.849%, 4/15/23	485	521
Charter Communications Operating		
4.464%, 7/23/22	880	927
Charter Communications Operating		
4.908%, 7/23/25	530	616

	Par/Shares	\$ Value
(Amounts in 000s)		
Cox Communications		
3.15%, 8/15/24 (2)	405	439
Crown Castle Towers		
3.72%, 7/15/23 (2)	155	161
RELX Capital		
3.50%, 3/16/23	160	170
SBA Tower Trust		
1.884%, 1/15/26 (2)	85	87
SBA Tower Trust		
2.836%, 1/15/25 (2)	255	270
SBA Tower Trust		
3.168%, 4/11/22 (2)	95	96
SBA Tower Trust		
3.448%, 3/15/23 (2)	250	263
T-Mobile USA		
3.50%, 4/15/25 (2)	120	133
Verizon Communications		
5.15%, 9/15/23	190	214
Vodafone Group		
3.75%, 1/16/24	185	202
WPP Finance 2010		
3.625%, 9/7/22	75	79
		4,178
Consumer Cyclical 5.8%		
AutoZone		
3.625%, 4/15/25	120	134
Booking Holdings		
4.10%, 4/13/25	205	232
Daimler Finance North America		
1.75%, 3/10/23 (2)	435	447
Expedia Group		
3.60%, 12/15/23 (2)	305	325
Ford Motor Credit		
3.47%, 4/5/21	290	290
Ford Motor Credit		
3.813%, 10/12/21	320	324
Ford Motor Credit		
5.875%, 8/2/21	200	204
General Motors		
4.875%, 10/2/23	180	200
General Motors		
5.40%, 10/2/23	450	505
General Motors Financial		
2.90%, 2/26/25	485	517
General Motors Financial		
3.20%, 7/6/21	145	147
General Motors Financial		
4.20%, 3/1/21	60	60

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
General Motors Financial, FRN, 3M USD LIBOR + 0.85%, 1.08%, 4/9/21	205	205
Harley-Davidson Financial Services 2.55%, 6/9/22 (2)	95	97
Harley-Davidson Financial Services 4.05%, 2/4/22 (2)	330	342
Hyundai Capital America 2.375%, 2/10/23 (2)	470	485
Hyundai Capital America 2.45%, 6/15/21 (2)	180	181
Hyundai Capital America 2.85%, 11/1/22 (2)	131	136
Hyundai Capital America 3.00%, 6/20/22 (2)	270	278
Hyundai Capital America 3.95%, 2/1/22 (2)	335	347
Marriott International 3.125%, 2/15/23	80	83
Marriott International 3.60%, 4/15/24	40	43
Nissan Motor 3.043%, 9/15/23 (2)	265	277
Nissan Motor Acceptance 3.65%, 9/21/21 (2)	120	122
O'Reilly Automotive 3.80%, 9/1/22	115	120
QVC 4.375%, 3/15/23	195	205
Ralph Lauren 1.70%, 6/15/22	50	51
Ross Stores 0.875%, 4/15/26	115	115
Ross Stores 4.60%, 4/15/25	550	634
TJX 3.50%, 4/15/25	185	206
Volkswagen Group of America Finance 2.50%, 9/24/21 (2)	200	203
Volkswagen Group of America Finance 2.70%, 9/26/22 (2)	415	430
Volkswagen Group of America Finance 2.90%, 5/13/22 (2)	215	222
Volkswagen Group of America Finance 3.125%, 5/12/23 (2)	200	211
Walgreen 3.10%, 9/15/22	105	110

	Par/Shares	\$ Value
(Amounts in 000s)		
Western Union 2.85%, 1/10/25	295	317
Western Union 3.60%, 3/15/22	195	201
		9,006
Consumer Non-Cyclical 7.7%		
AbbVie 2.60%, 11/21/24	715	764
AbbVie 3.20%, 11/6/22	45	47
AbbVie 3.25%, 10/1/22	80	83
AbbVie 3.45%, 3/15/22	260	268
Altria Group 3.80%, 2/14/24	370	404
BAT International Finance 1.668%, 3/25/26	225	230
Baxalta 3.60%, 6/23/22	190	197
Bayer U.S. Finance II 3.50%, 6/25/21 (2)	450	456
Becton Dickinson & Company 2.894%, 6/6/22	576	595
Becton Dickinson & Company 3.363%, 6/6/24	310	336
Bristol-Myers Squibb 2.60%, 5/16/22	120	123
Bristol-Myers Squibb 2.75%, 2/15/23	175	183
Bristol-Myers Squibb 3.25%, 2/20/23	50	53
Bristol-Myers Squibb 3.625%, 5/15/24	45	49
Bunge Finance 3.00%, 9/25/22	680	706
Bunge Finance 4.35%, 3/15/24	30	33
Cardinal Health 2.616%, 6/15/22	55	57
Cardinal Health 3.079%, 6/15/24	180	194
Cardinal Health 3.20%, 3/15/23	185	196
Cardinal Health 3.50%, 11/15/24	215	235
Cargill 1.375%, 7/23/23 (2)	155	159
China Mengniu Dairy 1.875%, 6/17/25	650	656

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
Cigna		
3.00%, 7/15/23	180	190
Cigna		
3.75%, 7/15/23	192	207
Cigna, FRN,		
3M USD LIBOR + 0.65%, 0.879%,		
9/17/21	180	180
CK Hutchison International 17 II		
2.75%, 3/29/23	950	992
CommonSpirit Health		
1.547%, 10/1/25	170	175
CVS Health		
3.70%, 3/9/23	83	89
EMD Finance		
2.95%, 3/19/22 (2)	110	113
Gilead Sciences		
0.75%, 9/29/23	525	526
Hasbro		
2.60%, 11/19/22	225	233
Hasbro		
3.00%, 11/19/24	310	335
Imperial Brands Finance		
3.50%, 2/11/23 (2)	200	210
Imperial Brands Finance		
3.75%, 7/21/22 (2)	660	688
PeaceHealth Obligated Group		
1.375%, 11/15/25	50	51
Perrigo Finance Unlimited		
3.90%, 12/15/24	680	747
Philip Morris International		
1.125%, 5/1/23	110	112
Royalty Pharma		
0.75%, 9/2/23 (2)	215	216
Shire Acquisitions Investments		
Ireland		
2.875%, 9/23/23	30	32
Stryker		
0.60%, 12/1/23	90	90
Takeda Pharmaceutical		
4.00%, 11/26/21	645	664
		11,874
Energy 6.7%		
Aker BP		
3.00%, 1/15/25 (2)	360	373
BP Capital Markets America		
2.937%, 4/6/23	170	180
Canadian Natural Resources		
2.05%, 7/15/25	335	351
Cenovus Energy		
3.00%, 8/15/22	470	478

	Par/Shares	\$ Value
(Amounts in 000s)		
Cenovus Energy		
3.80%, 9/15/23	60	62
Cheniere Corpus Christi Holdings		
5.875%, 3/31/25	325	377
Cheniere Corpus Christi Holdings		
7.00%, 6/30/24	465	542
Diamondback Energy		
2.875%, 12/1/24	695	731
Diamondback Energy		
4.75%, 5/31/25	205	230
Energy Transfer Operating		
2.90%, 5/15/25	65	69
Energy Transfer Operating		
4.20%, 9/15/23	65	70
Energy Transfer Operating		
4.25%, 3/15/23	235	246
Energy Transfer Operating		
5.875%, 1/15/24	610	684
Eni, Series X-R		
4.00%, 9/12/23 (2)	270	294
Enterprise Products Operating		
3.50%, 2/1/22	285	295
EOG Resources		
2.625%, 3/15/23	74	77
EQT		
3.00%, 10/1/22	555	561
EQT		
4.875%, 11/15/21	67	68
Gray Oak Pipeline		
2.00%, 9/15/23 (2)	30	30
Gray Oak Pipeline		
2.60%, 10/15/25 (2)	105	108
Husky Energy		
3.95%, 4/15/22	115	118
Kinder Morgan		
5.00%, 2/15/21 (2)	170	170
Kinder Morgan Energy Partners		
3.95%, 9/1/22	30	31
Marathon Oil		
2.80%, 11/1/22	169	174
MPLX, FRN,		
3M USD LIBOR + 1.10%, 1.33%,		
9/9/22	215	215
Occidental Petroleum		
2.60%, 8/13/21	240	242
Phillips 66, FRN,		
3M USD LIBOR + 0.60%, 0.833%,		
2/26/21	200	200
Sabine Pass Liquefaction		
5.625%, 4/15/23	320	350

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
Sabine Pass Liquefaction		
6.25%, 3/15/22	600	632
Schlumberger Finance Canada		
1.40%, 9/17/25	80	82
Schlumberger Holdings		
3.75%, 5/1/24 (2)	340	369
Schlumberger Holdings		
4.00%, 12/21/25 (2)	95	108
Sunoco Logistics Partners		
Operations		
3.45%, 1/15/23	30	31
Sunoco Logistics Partners		
Operations		
4.25%, 4/1/24	15	16
Sunoco Logistics Partners		
Operations		
4.40%, 4/1/21	30	30
Valero Energy		
1.20%, 3/15/24	195	196
Valero Energy		
2.70%, 4/15/23	355	370
Valero Energy		
3.65%, 3/15/25	55	60
Western Midstream Operating		
4.00%, 7/1/22	465	476
Williams		
3.35%, 8/15/22	55	57
Williams		
3.70%, 1/15/23	570	602
Williams		
4.30%, 3/4/24	75	83
		10,438
Technology 2.4%		
Avnet		
3.75%, 12/1/21	220	225
Equifax, FRN,		
3M USD LIBOR + 0.87%, 1.091%,		
8/15/21	170	171
Global Payments		
2.65%, 2/15/25	195	209
Microchip Technology		
0.972%, 2/15/24 (2)	300	301
Microchip Technology		
2.67%, 9/1/23 (2)	250	261
Microchip Technology		
3.922%, 6/1/21	565	573
Micron Technology		
2.497%, 4/24/23	635	662
Micron Technology		
4.64%, 2/6/24	75	83

	Par/Shares	\$ Value
(Amounts in 000s)		
NXP		
2.70%, 5/1/25 (2)	45	48
NXP		
3.875%, 9/1/22 (2)	440	464
NXP		
4.625%, 6/1/23 (2)	430	471
Panasonic		
2.536%, 7/19/22 (2)	275	283
		3,751
Transportation 0.8%		
American Airlines PTT, Series 2017-		
2, Class B		
3.70%, 10/15/25	415	347
Heathrow Funding		
4.875%, 7/15/21 (2)	340	347
Penske Truck Leasing		
3.30%, 4/1/21 (2)	275	276
Penske Truck Leasing		
3.65%, 7/29/21 (2)	65	66
United Airlines PTT, Series 2019-2,		
Class B		
3.50%, 5/1/28	249	231
		1,267
Total Industrial		44,420
UTILITY 4.2%		
Electric 4.2%		
AES		
3.30%, 7/15/25 (2)	190	207
American Electric Power, Series I		
3.65%, 12/1/21	50	52
Edison International		
2.95%, 3/15/23	110	114
Edison International		
3.125%, 11/15/22	170	177
Enel Finance International		
2.65%, 9/10/24 (2)	200	213
Enel Finance International		
2.875%, 5/25/22 (2)	690	713
Enel Finance International		
4.25%, 9/14/23 (2)	335	367
FirstEnergy		
2.85%, 7/15/22	235	239
NextEra Energy Capital Holdings,		
FRN, 3M USD LIBOR + 0.55%,		
0.774%, 8/28/21	360	360
NRG Energy		
3.75%, 6/15/24 (2)	155	169

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
Pacific Gas & Electric		
1.75%, 6/16/22	870	872
Pacific Gas & Electric, FRN, 3M USD LIBOR + 1.375%, 1.60%, 11/15/21	440	440
PNM Resources		
3.25%, 3/9/21	280	281
San Diego Gas & Electric		
1.914%, 2/1/22	58	58
Sinosing Services Pte		
2.25%, 2/20/25	1,400	1,443
Vistra Operations		
3.55%, 7/15/24 (2)	780	842
Total Utility		6,547
Total Corporate Bonds (Cost \$76,230)		78,787

ASSET-BACKED SECURITIES 15.6%

Car Loan 7.7%

AmeriCredit Automobile Receivables Trust, Series 2016-3, Class C		
2.24%, 4/8/22	31	31
AmeriCredit Automobile Receivables Trust, Series 2017-1, Class C		
2.71%, 8/18/22	141	142
AmeriCredit Automobile Receivables Trust, Series 2017-3, Class B		
2.24%, 6/19/23	88	88
AmeriCredit Automobile Receivables Trust, Series 2017-3, Class C		
2.69%, 6/19/23	280	284
AmeriCredit Automobile Receivables Trust, Series 2020-1, Class C		
1.59%, 10/20/25	435	443
AmeriCredit Automobile Receivables Trust, Series 2020-1, Class D		
1.80%, 12/18/25	415	423
AmeriCredit Automobile Receivables Trust, Series 2020-2, Class B		
0.97%, 2/18/26	100	101

	Par/Shares	\$ Value
(Amounts in 000s)		
AmeriCredit Automobile Receivables Trust, Series 2020-3, Class C		
1.06%, 8/18/26	115	115
ARI Fleet Lease Trust, Series 2018-A, Class A2		
2.55%, 10/15/26 (2)	13	13
ARI Fleet Lease Trust, Series 2020-A, Class B		
2.06%, 11/15/28 (2)	475	489
Avis Budget Rental Car Funding AESOP, Series 2017-1A, Class B		
3.41%, 9/20/23 (2)	390	399
Avis Budget Rental Car Funding AESOP, Series 2018-2A, Class C		
4.95%, 3/20/25 (2)	260	274
Avis Budget Rental Car Funding AESOP, Series 2019-1A, Class B		
3.70%, 3/20/23 (2)	646	660
Avis Budget Rental Car Funding AESOP, Series 2019-2A, Class A		
3.35%, 9/22/25 (2)	475	507
Avis Budget Rental Car Funding AESOP, Series 2019-2A, Class B		
3.55%, 9/22/25 (2)	415	439
Avis Budget Rental Car Funding AESOP, Series 2020-1A, Class A		
2.33%, 8/20/26 (2)	340	351
Capital Auto Receivables Asset Trust, Series 2017-1, Class B		
2.43%, 5/20/22 (2)	110	111
Capital Auto Receivables Asset Trust, Series 2017-1, Class C		
2.70%, 9/20/22 (2)	175	177
Capital Auto Receivables Asset Trust, Series 2018-2, Class B		
3.48%, 10/20/23 (2)	255	257
Capital Auto Receivables Asset Trust, Series 2018-2, Class C		
3.69%, 12/20/23 (2)	320	325
CarMax Auto Owner Trust, Series 2017-4, Class C		
2.70%, 10/16/23	150	153
CarMax Auto Owner Trust, Series 2020-4, Class D		
1.75%, 4/15/27	145	146

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
Enterprise Fleet Financing, Series 2018-2, Class A2 3.14%, 2/20/24 (2)	161	162
Enterprise Fleet Financing, Series 2019-1, Class A2 2.98%, 10/20/24 (2)	201	205
Ford Credit Auto Owner Trust, Series 2020-2, Class C 1.74%, 4/15/33 (2)	145	146
Ford Credit Floorplan Master Owner Trust A, Series 2020-1, Class C 1.42%, 9/15/25	220	221
GM Financial Consumer Automobile Receivables Trust, Series 2020-2, Class A3 1.49%, 12/16/24	210	214
GM Financial Consumer Automobile Receivables Trust, Series 2020-4, Class C 1.05%, 5/18/26	105	105
GMF Floorplan Owner Revolving Trust, Series 2020-1, Class B 1.03%, 8/15/25 (2)	405	407
Hyundai Auto Receivables Trust, Series 2019-A, Class B 2.94%, 5/15/25	460	481
Hyundai Auto Receivables Trust, Series 2020-B, Class C 1.60%, 12/15/26	175	179
Navistar Financial Dealer Note Master Trust, Series 2020-1, Class A, FRN, 1M USD LIBOR + 0.95%, 1.098%, 7/25/25 (2)	220	221
Navistar Financial Dealer Note Master Trust, Series 2020-1, Class B, FRN, 1M USD LIBOR + 1.35%, 1.498%, 7/25/25 (2)	230	232
Nissan Auto Receivables Owner Trust, Series 2020-A, Class A3 1.38%, 12/16/24	265	270
Santander Consumer Auto Receivables Trust, Series 2020-BA, Class C 1.29%, 4/15/26 (2)	115	116
Santander Drive Auto Receivables Trust, Series 2018-1, Class C 2.96%, 3/15/24	65	65

	Par/Shares	\$ Value
(Amounts in 000s)		
Santander Drive Auto Receivables Trust, Series 2018-2, Class C 3.35%, 7/17/23	164	166
Santander Drive Auto Receivables Trust, Series 2019-1, Class B 3.21%, 9/15/23	117	117
Santander Drive Auto Receivables Trust, Series 2020-3, Class B 0.69%, 3/17/25	335	336
Santander Drive Auto Receivables Trust, Series 2020-4, Class C 1.01%, 1/15/26	185	186
Santander Retail Auto Lease Trust, Series 2019-C, Class D 2.88%, 6/20/24 (2)	525	541
Santander Retail Auto Lease Trust, Series 2020-A, Class D 2.52%, 11/20/24 (2)	435	446
World Omni Auto Receivables Trust, Series 2019-C, Class C 2.40%, 6/15/26	460	476
World Omni Auto Receivables Trust, Series 2020-A, Class C 1.64%, 8/17/26	295	302
World Omni Select Auto Trust, Series 2020-A, Class B 0.84%, 6/15/26	140	140
World Omni Select Auto Trust, Series 2020-A, Class C 1.25%, 10/15/26	160	161
		11,823
Other Asset-Backed Securities 5.9%		
Applebee's Funding, Series 2019-1A, Class A2I 4.194%, 6/7/49 (2)	429	423
Ares LVII, Series 2020-5A, Class A, CLO, FRN, 3M USD LIBOR + 1.32%, 1.564%, 10/25/31 (2)	255	254
Ares LVIII, Series 2020-58A, Class A, CLO, FRN, 3M USD LIBOR + 1.22%, 1.456%, 1/15/33 (2)	250	250
Ascentium Equipment Receivables Trust, Series 2017-1A, Class A3 2.29%, 6/10/21 (2)	8	7

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
Barings, Series 2013-IA, Class AR, CLO, FRN, 3M USD LIBOR + 0.80%, 1.018%, 1/20/28 (2)	518	515
BRE Grand Islander Timeshare Issuer, Series 2019-A, Class A 3.28%, 9/26/33 (2)	184	191
Cayuga Park, Series 2020-1A, Class A, CLO, FRN, 3M USD LIBOR + 1.60%, 1.832%, 7/17/31 (2)	260	261
CIFC Funding, Series 2020-3A, Class A1, CLO, FRN, 3M USD LIBOR + 1.35%, 1.555%, 10/20/31 (2)	475	476
CNH Equipment Trust, Series 2018-A, Class B 3.47%, 10/15/25	275	284
Elara HGV Timeshare Issuer, Series 2014-A, Class A 2.53%, 2/25/27 (2)	8	8
Elara HGV Timeshare Issuer, Series 2016-A, Class A 2.73%, 4/25/28 (2)	372	379
Elara HGV Timeshare Issuer, Series 2017-A, Class A 2.69%, 3/25/30 (2)	113	116
Elara HGV Timeshare Issuer, Series 2019-A, Class A 2.61%, 1/25/34 (2)	491	508
Golub Capital Partners, Series 2018-39A, Class A1, CLO, FRN, 3M USD LIBOR + 1.15%, 1.368%, 10/20/28 (2)	390	389
Hilton Grand Vacations Trust, Series 2017-AA, Class A 2.66%, 12/26/28 (2)	104	107
Hilton Grand Vacations Trust, Series 2017-AA, Class B 2.96%, 12/26/28 (2)	36	37
John Deere Owner Trust, Series 2020-B, Class A4 0.72%, 6/15/27	385	389
Kubota Credit Owner Trust, Series 2020-1A, Class A3 1.96%, 3/15/24 (2)	230	236
Magnetite XXV, Series 2020-25A, Class A, CLO, FRN, 3M USD LIBOR + 1.20%, 1.455%, 1/25/32 (2)	250	250

	Par/Shares	\$ Value
(Amounts in 000s)		
MVW Owner Trust, Series 2014-1A, Class A 2.25%, 9/22/31 (2)	17	17
MVW Owner Trust, Series 2015-1A, Class A 2.52%, 12/20/32 (2)	116	116
MVW Owner Trust, Series 2017-1A, Class B 2.75%, 12/20/34 (2)	30	31
MVW Owner Trust, Series 2017-1A, Class C 2.99%, 12/20/34 (2)	50	50
MVW Owner Trust, Series 2020-1A, Class B 2.73%, 10/20/37 (2)	95	98
Neuberger Berman Loan Advisers, Series 2020-38A, Class A, CLO, FRN, 3M USD LIBOR + 1.30%, 1.53%, 10/20/32 (2)	250	250
Neuberger Berman XIX, Series 2015-19A, Class A1R2, CLO, FRN, 3M USD LIBOR + 0.80%, 1.037%, 7/15/27 (2)	316	314
Neuberger Berman XVI, Series 2017-16SA, Class A, CLO, FRN, 3M USD LIBOR + 0.85%, 1.087%, 1/15/28 (2)	584	582
OZLM VIII, Series 2014-8A, Class A1RR, CLO, FRN, 3M USD LIBOR + 1.17%, 1.388%, 10/17/29 (2)	704	702
Palmer Square, Series 2020-3A, Class A1A, CLO, FRN, 3M USD LIBOR + 1.37%, 1.596%, 11/15/31 (2)	250	250
Planet Fitness Master Issuer, Series 2018-1A, Class A2I 4.262%, 9/5/48 (2)	332	331
Reese Park, Series 2020-1A, Class A1, CLO, FRN, 3M USD LIBOR + 1.32%, 1.561%, 10/15/32 (2)	255	255
Sierra Timeshare Receivables Funding, Series 2016-2A, Class A 2.33%, 7/20/33 (2)	40	41
Sierra Timeshare Receivables Funding, Series 2017-1A, Class A 2.91%, 3/20/34 (2)	63	64

	Par/Shares	\$ Value
(Amounts in 000s)		
Sierra Timeshare Receivables Funding, Series 2019-1A, Class A 3.20%, 1/20/36 (2)	170	177
Symphony XXIII, Series 2020- 23A, Class A, CLO, FRN, 3M USD LIBOR + 1.32%, 1.487%, 1/15/34 (2)	415	416
Volvo Financial Equipment, Series 2018-1A, Class B 2.91%, 1/17/23 (2)	315	321
		9,095
Student Loan 2.0%		
Navient Private Education Refi Loan Trust, Series 2019-CA, Class A1 2.82%, 2/15/68 (2)	95	95
Navient Private Education Refi Loan Trust, Series 2019-D, Class A2A 3.01%, 12/15/59 (2)	150	157
Navient Private Education Refi Loan Trust, Series 2019-EA, Class A1 2.39%, 5/15/68 (2)	79	80
Navient Private Education Refi Loan Trust, Series 2019-GA, Class A 2.40%, 10/15/68 (2)	204	209
Navient Private Education Refi Loan Trust, Series 2020-DA, Class A 1.69%, 5/15/69 (2)	119	122
Navient Private Education Refi Loan Trust, Series 2020-FA, Class A 1.22%, 7/15/69 (2)	334	338
Navient Private Education Refi Loan Trust, Series 2020-GA, Class A 1.17%, 9/16/69 (2)	158	159
Navient Student Loan Trust, Series 2019-2A, Class A1, FRN, 1M USD LIBOR + 0.27%, 0.418%, 2/27/68 (2)	150	150
Nelnet Student Loan Trust, Series 2005-4, Class A4, FRN, 3M USD LIBOR + 0.18%, 0.416%, 3/22/32	479	455

	Par/Shares	\$ Value
(Amounts in 000s)		
Nelnet Student Loan Trust, Series 2020-1A, Class A, FRN, 1M USD LIBOR + 0.74%, 0.888%, 3/26/68 (2)	224	222
SLM Student Loan Trust, Series 2008-5, Class A4, FRN, 3M USD LIBOR + 1.70%, 1.915%, 7/25/23	131	131
SLM Student Loan Trust, Series 2008-9, Class A, FRN, 3M USD LIBOR + 1.50%, 1.715%, 4/25/23	93	93
SLM Student Loan Trust, Series 2010-1, Class A, FRN, 1M USD LIBOR + 0.40%, 0.548%, 3/25/25	533	519
SMB Private Education Loan Trust, Series 2014-A, Class A2A 3.05%, 5/15/26 (2)	110	111
SMB Private Education Loan Trust, Series 2015-A, Class A2B, FRN, 1M USD LIBOR + 1.00%, 1.159%, 6/15/27 (2)	98	98
SMB Private Education Loan Trust, Series 2020-PTB, Class A2A 1.60%, 9/15/54 (2)	180	182
		3,121
Total Asset-Backed Securities (Cost \$23,790)		24,039

NON-U.S. GOVERNMENT MORTGAGE-BACKED SECURITIES 15.5%

Collateralized Mortgage Obligations 10.1%

Angel Oak Mortgage Trust, Series 2020-5, Class A2, CMO, ARM, 1.579%, 5/25/65 (2)	153	153
Angel Oak Mortgage Trust, Series 2020-6, Class A1, CMO, ARM, 1.261%, 5/25/65 (2)	196	196
Angel Oak Mortgage Trust I, Series 2019-2, Class M1, CMO, ARM, 4.065%, 3/25/49 (2)	400	415

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
Bayview Opportunity Master Fund IVb Trust, Series 2017-SPL4, Class A, CMO, ARM, 3.50%, 1/28/55 (2)	176	180
CIM Trust, Series 2020-INV1, Class A2, CMO, ARM, 2.50%, 4/25/50 (2)	198	203
Citigroup Mortgage Loan Trust, Series 2019-IMC1, Class A1, CMO, ARM, 2.72%, 7/25/49 (2)	370	377
Citigroup Mortgage Loan Trust, Series 2020-EXP2, Class A3, CMO, 2.50%, 8/25/50 (2)	156	161
COLT Mortgage Loan Trust, Series 2019-2, Class A1, CMO, ARM, 3.337%, 5/25/49 (2)	189	190
Connecticut Avenue Securities, Series 2017-C02, Class 2ED3, CMO, ARM, 1M USD LIBOR + 1.35%, 1.498%, 9/25/29	356	353
Connecticut Avenue Securities, Series 2017-C05, Class 1ED3, CMO, ARM, 1M USD LIBOR + 1.20%, 1.348%, 1/25/30	366	356
Deephaven Residential Mortgage Trust, Series 2017-1A, Class A3, CMO, ARM, 3.485%, 12/26/46 (2)	18	18
Deephaven Residential Mortgage Trust, Series 2017-3A, Class A1, CMO, ARM, 2.577%, 10/25/47 (2)	80	81
Deephaven Residential Mortgage Trust, Series 2017-3A, Class A2, CMO, ARM, 2.711%, 10/25/47 (2)	9	9
Deephaven Residential Mortgage Trust, Series 2017-3A, Class A3, CMO, ARM, 2.813%, 10/25/47 (2)	9	9
Deephaven Residential Mortgage Trust, Series 2018-1A, Class A1, CMO, ARM, 2.976%, 12/25/57 (2)	107	107
Deephaven Residential Mortgage Trust, Series 2018-3A, Class A3, CMO, ARM, 3.963%, 8/25/58 (2)	31	30

	Par/Shares	\$ Value
(Amounts in 000s)		
Deephaven Residential Mortgage Trust, Series 2019-1A, Class A1, CMO, ARM, 3.743%, 1/25/59 (2)	276	278
Deephaven Residential Mortgage Trust, Series 2019-2A, Class A3, CMO, ARM, 3.763%, 4/25/59 (2)	273	276
Deephaven Residential Mortgage Trust, Series 2019-2A, Class M1, CMO, ARM, 3.921%, 4/25/59 (2)	280	282
Deephaven Residential Mortgage Trust, Series 2019-3A, Class A1, CMO, ARM, 2.964%, 7/25/59 (2)	223	225
Ellington Financial Mortgage Trust, Series 2019-2, Class A1, CMO, ARM, 2.739%, 11/25/59 (2)	311	319
Flagstar Mortgage Trust, Series 2020-1INV, Class A11, CMO, ARM, 1M USD LIBOR + 0.85%, 0.998%, 3/25/50 (2)	356	355
Freddie Mac Whole Loan Securities Trust, Series 2017-SC01, Class M1, CMO, ARM, 3.597%, 12/25/46 (2)	163	164
Freddie Mac Whole Loan Securities Trust, Series 2017-SC02, Class M1, CMO, ARM, 3.825%, 5/25/47 (2)	49	49
Galton Funding Mortgage Trust, Series 2018-1, Class A33, CMO, ARM, 3.50%, 11/25/57 (2)	232	237
Galton Funding Mortgage Trust, Series 2019-1, Class A32, CMO, ARM, 4.00%, 2/25/59 (2)	171	176
Galton Funding Mortgage Trust, Series 2019-H1, Class M1, CMO, ARM, 3.339%, 10/25/59 (2)	230	230
Galton Funding Mortgage Trust, Series 2020-H1, Class A1, CMO, ARM, 2.31%, 1/25/60 (2)	302	307
Galton Funding Mortgage Trust, Series 2020-H1, Class M1, CMO, ARM, 2.832%, 1/25/60 (2)	380	379

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
GS Mortgage-Backed Securities Trust, Series 2014-EB1A, Class 2A1, CMO, ARM, 2.309%, 7/25/44 (2)	13	13
Homeward Opportunities Fund I Trust, Series 2018-1, Class A1, CMO, ARM, 3.766%, 6/25/48 (2)	256	257
Homeward Opportunities Fund I Trust, Series 2018-1, Class A2, CMO, ARM, 3.897%, 6/25/48 (2)	254	255
Homeward Opportunities Fund I Trust, Series 2019-1, Class A3, CMO, ARM, 3.606%, 1/25/59 (2)	402	406
JPMorgan Mortgage Trust, Series 2020-1INV, Class A15, CMO, ARM, 3.50%, 8/25/50 (2)	341	351
Mill City Mortgage Loan Trust, Series 2016-1, Class A1, CMO, ARM, 2.50%, 4/25/57 (2)	43	44
New Residential Mortgage Loan Trust, Series 2019-NQM3, Class A3, CMO, ARM, 3.086%, 7/25/49 (2)	246	249
OBX Trust, Series 2019-EXP2, Class 2A2, CMO, ARM, 1M USD LIBOR + 1.20%, 1.348%, 6/25/59 (2)	120	119
OBX Trust, Series 2020-EXP1, Class 2A2, CMO, ARM, 1M USD LIBOR + 0.95%, 1.098%, 2/25/60 (2)	141	141
OBX Trust, Series 2020-EXP2, Class A8, CMO, ARM, 3.00%, 5/25/60 (2)	305	314
OBX Trust, Series 2020-EXP2, Class A9, CMO, ARM, 3.00%, 5/25/60 (2)	80	82
OBX Trust, Series 2020-INV, Class A5, CMO, ARM, 3.50%, 12/25/49 (2)	221	227
Sequoia Mortgage Trust, Series 2018-CH1, Class A11, CMO, ARM, 3.50%, 2/25/48 (2)	189	190
Sequoia Mortgage Trust, Series 2018-CH2, Class A21, CMO, ARM, 4.00%, 6/25/48 (2)	179	183

	Par/Shares	\$ Value
(Amounts in 000s)		
Sequoia Mortgage Trust, Series 2018-CH3, Class A19, CMO, ARM, 4.50%, 8/25/48 (2)	99	102
Sequoia Mortgage Trust, Series 2018-CH4, Class A2, CMO, ARM, 4.00%, 10/25/48 (2)	143	146
Starwood Mortgage Residential Trust, Series 2019-1, Class A3, CMO, ARM, 3.299%, 6/25/49 (2)	340	344
Starwood Mortgage Residential Trust, Series 2019-IMC1, Class A1, CMO, ARM, 3.468%, 2/25/49 (2)	233	235
Starwood Mortgage Residential Trust, Series 2019-INV1, Class A1, CMO, ARM, 2.61%, 9/27/49 (2)	79	80
Starwood Mortgage Residential Trust, Series 2019-INV1, Class A3, CMO, ARM, 2.916%, 9/27/49 (2)	236	240
Structured Agency Credit Risk Debt Notes, Series 2017-DNA2, Class M1, CMO, ARM, 1M USD LIBOR + 1.20%, 1.348%, 10/25/29	158	158
Structured Agency Credit Risk Debt Notes, Series 2017-DNA3, Class M1, CMO, ARM, 1M USD LIBOR + 0.75%, 0.898%, 3/25/30	226	226
Structured Agency Credit Risk Debt Notes, Series 2018-DNA2, Class M1, CMO, ARM, 1M USD LIBOR + 0.80%, 0.948%, 12/25/30 (2)	161	161
Structured Agency Credit Risk Debt Notes, Series 2018-DNA2, Class M2AS, CMO, ARM, 1M USD LIBOR + 0.95%, 1.098%, 12/25/30 (2)	275	275
Structured Agency Credit Risk Debt Notes, Series 2018-DNA3, Class M1, CMO, ARM, 1M USD LIBOR + 0.75%, 0.898%, 9/25/48 (2)	1	1

T. ROWE PRICE LIMITED-TERM BOND PORTFOLIO

	Par/Shares	\$ Value
(Amounts in 000s)		
Structured Agency Credit Risk Debt Notes, Series 2018- DNA3, Class M2AS, CMO, ARM, 1M USD LIBOR + 0.90%, 1.048%, 9/25/48 (2)	455	455
Structured Agency Credit Risk Debt Notes, Series 2018- HQA2, Class M1, CMO, ARM, 1M USD LIBOR + 0.75%, 0.898%, 10/25/48 (2)	59	59
Structured Agency Credit Risk Debt Notes, Series 2018- HRP2, Class M2, CMO, ARM, 1M USD LIBOR + 1.25%, 1.398%, 2/25/47 (2)	330	329
Structured Agency Credit Risk Debt Notes, Series 2020- DNA5, Class M1, CMO, ARM, SOFR30A + 1.30%, 1.382%, 10/25/50 (2)	80	80
Structured Agency Credit Risk Debt Notes, Series 2020- DNA6, Class M1, CMO, ARM, SOFR30A + 0.90%, 0.977%, 12/25/50 (2)	90	90
Structured Agency Credit Risk Debt Notes, Series 2020- HQA3, Class M1, CMO, ARM, 1M USD LIBOR + 1.55%, 1.698%, 7/25/50 (2)	89	89
Structured Agency Credit Risk Debt Notes, Series 2020- HQA4, Class M1, CMO, ARM, 1M USD LIBOR + 1.30%, 1.448%, 9/25/50 (2)	243	243
Structured Agency Credit Risk Debt Notes, Series 2020- HQA5, Class M1, CMO, ARM, SOFR30A + 1.10%, 1.182%, 11/25/50 (2)	150	150
Towd Point Mortgage Trust, Series 2015-4, Class A1B, CMO, ARM, 2.75%, 4/25/55 (2)	70	71
Towd Point Mortgage Trust, Series 2015-5, Class A1B, CMO, ARM, 2.75%, 5/25/55 (2)	87	87
Towd Point Mortgage Trust, Series 2016-1, Class A1B, CMO, ARM, 2.75%, 2/25/55 (2)	60	60

	Par/Shares	\$ Value
(Amounts in 000s)		
Towd Point Mortgage Trust, Series 2016-1, Class A3B, CMO, ARM, 3.00%, 2/25/55 (2)	111	114
Towd Point Mortgage Trust, Series 2016-2, Class A1A, CMO, ARM, 2.75%, 8/25/55 (2)	72	73
Towd Point Mortgage Trust, Series 2017-1, Class A1, CMO, ARM, 2.75%, 10/25/56 (2)	296	303
Towd Point Mortgage Trust, Series 2017-2, Class A1, CMO, ARM, 2.75%, 4/25/57 (2)	189	194
Towd Point Mortgage Trust, Series 2018-1, Class A1, CMO, ARM, 3.00%, 1/25/58 (2)	189	196
Verus Securitization Trust, Series 2018-2, Class A1, CMO, ARM, 3.677%, 6/1/58 (2)	300	301
Verus Securitization Trust, Series 2018-2, Class A2, CMO, ARM, 3.779%, 6/1/58 (2)	109	109
Verus Securitization Trust, Series 2018-2, Class A3, CMO, ARM, 3.83%, 6/1/58 (2)	70	70
Verus Securitization Trust, Series 2019-4, Class A3, CMO, STEP, 3.00%, 11/25/59 (2)	405	413
Verus Securitization Trust, Series 2019-INV1, Class A1, CMO, ARM, 3.402%, 12/25/59 (2)	196	198
Verus Securitization Trust, Series 2019-INV1, Class M1, CMO, ARM, 4.034%, 12/25/59 (2)	140	141
Verus Securitization Trust, Series 2019-INV3, Class A3, CMO, ARM, 3.10%, 11/25/59 (2)	436	447
Verus Securitization Trust, Series 2020-1, Class A3, CMO, STEP, 2.724%, 1/25/60 (2)	423	430

	Par/Shares	\$ Value
(Amounts in 000s)		
Verus Securitization Trust, Series 2020-5, Class A3, CMO, STEP, 1.733%, 5/25/65 (2)	93	93
		15,709
Commercial Mortgage-Backed Securities 5.2%		
Banc of America Commercial Mortgage Trust, Series 2017- BNK3, Class A1 1.957%, 2/15/50	48	49
CD Commercial Mortgage Trust, Series 2017-CD3, Class A1 1.965%, 2/10/50	36	37
Citigroup Commercial Mortgage Trust, Series 2013-375P, Class B, ARM, 3.518%, 5/10/35 (2)	205	213
Citigroup Commercial Mortgage Trust, Series 2013-375P, Class C, ARM, 3.518%, 5/10/35 (2)	150	152
Cold Storage Trust, Series 2020- ICE5, Class B, ARM, 1M USD LIBOR + 1.30%, 1.459%, 11/15/37 (2)	260	261
Commercial Mortgage Trust, Series 2014-CR19, Class D, ARM, 4.711%, 8/10/47 (2)	250	235
Commercial Mortgage Trust, Series 2014-UBS2, Class A5 3.961%, 3/10/47	280	306
Commercial Mortgage Trust, Series 2014-UBS2, Class B 4.701%, 3/10/47	340	371
Commercial Mortgage Trust, Series 2020-CBM, Class D, ARM, 3.633%, 2/10/37 (2)	340	325
Credit Suisse Mortgage Trust, Series 2020-NET, Class A 2.257%, 8/15/37 (2)	115	119
Fontainebleau Miami Beach Trust, Series 2019-FBLU, Class C 3.75%, 12/10/36 (2)	895	921
Great Wolf Trust, Series 2019- WOLF, Class A, ARM, 1M USD LIBOR + 1.034%, 1.193%, 12/15/36 (2)	325	318

	Par/Shares	\$ Value
(Amounts in 000s)		
Great Wolf Trust, Series 2019- WOLF, Class C, ARM, 1M USD LIBOR + 1.633%, 1.792%, 12/15/36 (2)	390	363
InTown Hotel Portfolio Trust, Series 2018-STAY, Class A, ARM, 1M USD LIBOR + 0.70%, 0.859%, 1/15/33 (2)	175	174
InTown Hotel Portfolio Trust, Series 2018-STAY, Class C, ARM, 1M USD LIBOR + 1.25%, 1.409%, 1/15/33 (2)	145	141
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2011-C4, Class A4 4.388%, 7/15/46 (2)	122	123
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2019-BKWD, Class C, ARM, 1M USD LIBOR + 1.60%, 1.759%, 9/15/29 (2)	355	345
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2020-609M, Class B, ARM, 1M USD LIBOR + 1.77%, 1.929%, 10/15/33 (2)	255	255
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2020-609M, Class C, ARM, 1M USD LIBOR + 2.17%, 2.329%, 10/15/33 (2)	210	210
Merit, Series 2020-HILL, Class B, ARM, 1M USD LIBOR + 1.40%, 1.559%, 8/15/37 (2)	105	105
Merit, Series 2020-HILL, Class C, ARM, 1M USD LIBOR + 1.70%, 1.859%, 8/15/37 (2)	100	100
Merit, Series 2020-HILL, Class D, ARM, 1M USD LIBOR + 2.35%, 2.509%, 8/15/37 (2)	130	130
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2016-C30, Class A1 1.389%, 9/15/49	34	34

	Par/Shares	\$ Value
(Amounts in 000s)		
Morgan Stanley Capital I Trust, Series 2014-150E, Class A 3.912%, 9/9/32 (2)	340	366
Morgan Stanley Capital I Trust, Series 2019-MEAD, Class D, ARM, 3.177%, 11/10/36 (2)	710	599
SLIDE, Series 2018-FUN, Class D, ARM, 1M USD LIBOR + 1.85%, 2.009%, 6/15/31 (2)	542	502
Wells Fargo Commercial Mortgage Trust, Series 2013- LC12, Class A1 1.676%, 7/15/46	106	106
Wells Fargo Commercial Mortgage Trust, Series 2015- NXS2, Class A2 3.02%, 7/15/58	181	184
WFRBS Commercial Mortgage Trust, Series 2014-C23, Class A5 3.917%, 10/15/57	435	482
WFRBS Commercial Mortgage Trust, Series 2014-LC14, Class A5 4.045%, 3/15/47	440	481
		8,007
Residential Mortgage 0.2%		
MetLife Securitization Trust, Series 2017-1A, Class A, CMO, ARM, 3.00%, 4/25/55 (2)	253	266
		266
Total Non-U.S. Government Mortgage-Backed Securities (Cost \$24,033)		23,982

U.S. GOVERNMENT & AGENCY MORTGAGE-BACKED SECURITIES 4.3%

U.S. GOVERNMENT AGENCY OBLIGATIONS 3.8% (3)

Federal Home Loan Mortgage 3.50%, 3/1/46	163	176
5.00%, 12/1/23 - 7/1/25	34	36
5.50%, 4/1/23 - 10/1/38	13	14
6.00%, 10/1/21 - 1/1/38	113	133
7.00%, 3/1/39	92	107
7.50%, 6/1/38	97	114

	Par/Shares	\$ Value
(Amounts in 000s)		
Federal Home Loan Mortgage, ARM 12M USD LIBOR + 1.591%, 2.216%, 9/1/35	4	4
12M USD LIBOR + 2.029%, 2.448%, 11/1/36	2	3
12M USD LIBOR + 1.625%, 2.504%, 7/1/38	16	16
1Y CMT + 2.25%, 2.567%, 10/1/36	2	2
12M USD LIBOR + 1.726%, 2.72%, 7/1/35	3	3
12M USD LIBOR + 1.625%, 2.752%, 6/1/38	18	18
12M USD LIBOR + 1.733%, 2.788%, 10/1/36	11	11
12M USD LIBOR + 1.831%, 3.187%, 1/1/37	3	3
12M USD LIBOR + 1.716%, 3.198%, 5/1/38	9	10
12M USD LIBOR + 1.775%, 3.377%, 5/1/37	6	6
1Y CMT + 2.245%, 3.416%, 1/1/36	10	10
12M USD LIBOR + 1.625%, 3.471%, 4/1/37	10	11
12M USD LIBOR + 1.734%, 3.734%, 2/1/37	3	4
12M USD LIBOR + 1.75%, 3.75%, 2/1/35	7	8
12M USD LIBOR + 2.082%, 4.082%, 2/1/38	12	13
Federal Home Loan Mortgage, CMO 2.00%, 2/15/40	148	152
4.00%, 11/15/36	26	26
Federal Home Loan Mortgage, UMBS 3.00%, 11/1/34	284	305
4.00%, 12/1/49	67	74
4.50%, 5/1/50	82	89
Federal National Mortgage Assn., ARM 12M USD LIBOR + 1.34%, 1.715%, 12/1/35	2	2
12M USD LIBOR + 1.569%, 2.015%, 12/1/35	7	7
12M USD LIBOR + 1.77%, 2.145%, 12/1/35	1	1
12M USD LIBOR + 1.78%, 2.155%, 1/1/34	6	6
12M USD LIBOR + 1.892%, 2.307%, 12/1/35	2	2
12M USD LIBOR + 1.626%, 2.434%, 7/1/35	2	2
12M USD LIBOR + 2.04%, 2.458%, 12/1/36	2	2

	Par/Shares	\$ Value
(Amounts in 000s)		
12M USD LIBOR + 1.655%, 2.62%, 8/1/37	3	3
12M USD LIBOR + 1.608%, 2.668%, 7/1/36	10	10
12M USD LIBOR + 1.853%, 2.694%, 8/1/38	9	9
12M USD LIBOR + 1.83%, 3.615%, 4/1/38	20	21
12M USD LIBOR + 1.861%, 3.64%, 5/1/38	9	10
12M USD LIBOR + 1.788%, 3.788%, 5/1/38	6	6
Federal National Mortgage Assn., CMO, 4.00%, 6/25/44	272	278
Federal National Mortgage Assn., UMBS 2.00%, 9/1/35	197	208
2.50%, 11/1/50	65	68
3.00%, 1/1/27	195	205
3.50%, 3/1/28 - 1/1/48	168	179
4.00%, 11/1/49 - 1/1/50	380	407
4.50%, 8/1/24 - 1/1/50	1,105	1,208
5.00%, 3/1/23 - 6/1/35	310	357
5.50%, 3/1/21 - 5/1/40	384	445
6.00%, 1/1/22 - 4/1/40	664	788
6.50%, 7/1/32 - 12/1/32	81	94
UMBS, TBA		
2.00%, 1/1/51 (4)	80	83
2.50%, 1/1/51 (4)	200	211
		5,960
U.S. GOVERNMENT OBLIGATIONS 0.5%		
Government National Mortgage Assn.		
3.50%, 2/20/48	22	24
5.00%, 12/20/34 - 11/20/47	462	524
5.50%, 3/20/48 - 3/20/49	95	106
Government National Mortgage Assn., TBA,		
4.00%, 1/20/51 (4)	65	69
		723
Total U.S. Government & Agency Mortgage- Backed Securities (Cost \$6,407)		6,683

	Par/Shares	\$ Value
(Amounts in 000s)		
U.S. GOVERNMENT AGENCY OBLIGATIONS (EXCLUDING MORTGAGE-BACKED) 9.1%		
U.S. TREASURY OBLIGATIONS 9.1%		
U.S. Treasury Notes 0.125%, 4/30/22	600	600
U.S. Treasury Notes 0.125%, 10/31/22	2,410	2,410
U.S. Treasury Notes 0.125%, 11/30/22	4,475	4,475
U.S. Treasury Notes 0.125%, 5/15/23	1,425	1,425
U.S. Treasury Notes 0.125%, 7/15/23	2,300	2,299
U.S. Treasury Notes 0.125%, 8/15/23	390	390
U.S. Treasury Notes 0.125%, 10/15/23	2,375	2,373
U.S. Treasury Notes 2.375%, 3/15/22 (5)	130	133
		14,105
Total U.S. Government Agency Obligations (Excluding Mortgage-Backed) (Cost \$14,094)		14,105
FOREIGN GOVERNMENT OBLIGATIONS & MUNICIPALITIES 2.3%		
Government Sponsored 0.4%		
Equate Petrochemical 3.00%, 3/3/22	600	613
		613
Owned No Guarantee 1.9%		
Saudi Arabian Oil 2.75%, 4/16/22 (2)	1,155	1,187
Shanghai Electric Group Global Investment 2.65%, 11/21/24	1,350	1,400
Syngenta Finance 3.933%, 4/23/21 (2)	385	387
		2,974
Total Foreign Government Obligations & Municipalities (Cost \$3,504)		3,587

	Par/Shares	\$ Value
(Amounts in 000s)		
MUNICIPAL SECURITIES 1.1%		
Connecticut 0.1%		
Connecticut, Series A, GO, 1.998%, 7/1/24	95	100
Connecticut, Series A, GO, 2.00%, 7/1/23	35	36
Connecticut, Series A, GO, 2.098%, 7/1/25	60	64
		200
Florida 0.3%		
State Board of Admin. Fin., Series A, 1.258%, 7/1/25	375	384
		384
Illinois 0.3%		
Chicago Transit Auth. Sales Tax Receipts Fund, Series B, 1.708%, 12/1/22	10	10
Chicago Transit Auth. Sales Tax Receipts Fund, Series B, 1.838%, 12/1/23	10	10
Chicago Transit Auth. Sales Tax Receipts Fund, Series B, 2.064%, 12/1/24	25	26
Illinois, Series A, GO, 2.25%, 10/1/22	415	410
		456
New York 0.3%		
Long Island Power Auth., Series C, 0.764%, 3/1/23	85	85

	Par/Shares	\$ Value
(Amounts in 000s)		
Port Auth. of New York & New Jersey, Series AAA, 1.086%, 7/1/23	335	340
		425
Texas 0.1%		
Dallas Fort Worth Int'l. Airport, Series C, 1.329%, 11/1/25	55	55
Houston Airport System, Series C, 0.883%, 7/1/22	20	20
Houston Airport System, Series C, 1.054%, 7/1/23	35	35
Houston Airport System, Series C, 1.272%, 7/1/24	110	111
		221
Total Municipal Securities (Cost \$1,665)		1,686
SHORT-TERM INVESTMENTS 1.7%		
COMMERCIAL PAPER 0.6%		
4(2) 0.6% (6)		
Conagra Foods, 0.904%, 4/8/21	845	844
		844
MONEY MARKET FUNDS 1.1%		
T. Rowe Price Government Reserve Fund, 0.08% (7)(8)	1,702	1,702
		1,702
Total Short-Term Investments (Cost \$2,545)		2,546

(Amounts in 000s, except for contracts)

OPTIONS PURCHASED 0.0%**OTC Options Purchased 0.0%**

Counterparty	Description	Contracts	Notional Amount	\$ Value
	Credit Default Swap, Protection Sold (Relevant Credit: Markit CDX.NA.IG-S35, 5 Year Index, 12/20/25), Receive 1.00% Quarterly, Pay upon credit default, 3/17/21 @ 0.45% * (9)	1	1,325	1
Morgan Stanley				
Total OTC Options Purchased (Cost \$1)				1
Total Options Purchased (Cost \$1)				1

Total Investments in Securities

100.5% of Net Assets (Cost \$152,269) **\$ 155,416**

‡ Par/Shares and Notional Amount are denominated in U.S. dollars unless otherwise noted.

* Exercise Spread

(1) Security is a fix-to-float security, which carries a fixed coupon until a certain date, upon which it switches to a floating rate. Reference rate and spread is provided if the rate is currently floating.

(2) Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration only to qualified institutional buyers. Total value of such securities at period-end amounts to \$62,923 and represents 40.7% of net assets.

(3) Issuer operates under a Congressional charter; its securities are neither issued nor guaranteed by the U.S. government. The Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, including UMBS, currently operate under a federal conservatorship.

(4) See Note 4. To-Be-Announced purchase commitment. Total value of such securities at period-end amounts to \$363 and represents 0.2% of net assets.

(5) At December 31, 2020, all or a portion of this security is pledged as collateral and/or margin deposit to cover future funding obligations.

(6) Commercial paper exempt from registration under Section 4(2) of the Securities Act of 1933 and may be resold in transactions exempt from registration only to dealers in that program or other "accredited investors". Total value of such securities at period-end amounts to \$844 and represents 0.6% of net assets.

(7) Seven-day yield

(8) Affiliated Companies

(9) Non-income producing

1M USD LIBOR One month USD LIBOR (London interbank offered rate)

3M USD LIBOR Three month USD LIBOR (London interbank offered rate)

12M USD LIBOR Twelve month USD LIBOR (London interbank offered rate)

1Y CMT One year U.S. Treasury note constant maturity rate

ARM Adjustable Rate Mortgage (ARM); rate shown is effective rate at period-end. The rates for certain ARMs are not based on a published reference rate and spread but may be determined using a formula based on the rates of the underlying loans.

CLO Collateralized Loan Obligation

CMO Collateralized Mortgage Obligation

FRN Floating Rate Note

GO General Obligation

OTC Over-the-counter

PTT Pass-Through Trust

SOFR30A 30-day Average SOFR (Secured Overnight Financing Rate)

STEP Stepped coupon bond for which the coupon rate of interest adjusts on specified date(s); rate shown is effective rate at period-end.

TBA To-Be-Announced

UMBS Uniform Mortgage-Backed Securities

VR Variable Rate; rate shown is effective rate at period-end. The rates for certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and based on current market conditions.

(Amounts in 000s, except for contracts)

OPTIONS WRITTEN (0.0)%**OTC Options Written (0.0)%**

Counterparty	Description	Contracts	Notional Amount	\$ Value
	Credit Default Swap, Protection Bought (Relevant Credit: Markit CDX.NA.IG-S35, 5 Year Index, 12/20/25), Pay 1.00%			
Deutsche Bank	Quarterly, Receive upon credit default, 2/17/21 @ 1.00%*	1	1,750	(1)
	Credit Default Swap, Protection Bought (Relevant Credit: Markit CDX.NA.IG-S35, 5 Year Index, 12/20/25), Pay 1.00%			
Morgan Stanley	Quarterly, Receive upon credit default, 3/17/21 @ 0.80%*	1	1,325	(1)
Total OTC Options Written (Premiums \$(6))				(2)
Total Options Written (Premiums \$(6))				\$ (2)

(Amounts in 000s, except market price)

SWAPS (0.1)%

Description	Notional Amount	\$ Value	Upfront Payments/ \$ (Receipts)	Unrealized \$ Gain/(Loss)
BILATERAL SWAPS (0.1)%				
Credit Default Swaps, Protection Bought (0.1)%				
Bank of America, Protection Bought (Relevant Credit: General Mills, 3.15%, 12/15/21), Pay 1.00% Quarterly, Receive upon credit default, 12/20/24	417	(13)	(10)	(3)
Barclays Bank, Protection Bought (Relevant Credit: Omnicom Group, 3.65%, 11/1/24), Pay 1.00% Quarterly, Receive upon credit default, 12/20/24	1,250	(33)	(32)	(1)
Citibank, Protection Bought (Relevant Credit: General Mills, 3.15%, 12/15/21), Pay 1.00% Quarterly, Receive upon credit default, 12/20/24	596	(19)	(15)	(4)
Goldman Sachs, Protection Bought (Relevant Credit: General Mills, 3.15%, 12/15/21), Pay 1.00% Quarterly, Receive upon credit default, 12/20/24	1,220	(39)	(31)	(8)
Total Credit Default Swaps, Protection Bought			(88)	(16)
Credit Default Swaps, Protection Sold 0.0%				
Bank of America, Protection Sold (Relevant Credit: Boeing, 8.75%, 8/15/21, \$104.62*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/21	2,300	8	13	(5)
Barclays Bank, Protection Sold (Relevant Credit: AT&T, 3.80%, 2/15/27, \$114.87*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/22	500	6	5	1
Barclays Bank, Protection Sold (Relevant Credit: Enbridge, 3.50%, 6/10/24, \$108.50*), Receive 1.00% Quarterly, Pay upon credit default, 6/20/23	1,750	20	(61)	81
Barclays Bank, Protection Sold (Relevant Credit: General Electric, 2.70%, 10/9/22, \$103.95*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/21	500	3	—	3
Citibank, Protection Sold (Relevant Credit: Devon Energy, 7.95%, 4/15/32, \$140.25*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/24	165	(2)	(1)	(1)
Morgan Stanley, Protection Sold (Relevant Credit: Devon Energy, 7.95%, 4/15/32, \$140.25*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/24	140	(1)	(1)	—
Total Credit Default Swaps, Protection Sold			(45)	79
Total Bilateral Swaps			(133)	63

* Market Price at December 31, 2020.

Futures Contracts

(\$000s)

	Expiration Date	Notional Amount	Value and Unrealized Gain (Loss)
Short, 86 U.S. Treasury Notes five year contracts	3/21	(10,850) \$	(22)
Short, 34 U.S. Treasury Notes ten year contracts	3/21	(4,695)	1
Long, 110 U.S. Treasury Notes two year contracts	3/21	24,308	23
Net payments (receipts) of variation margin to date			(7)
Variation margin receivable (payable) on open futures contracts		\$	(5)

Affiliated Companies

(\$000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company that is under common ownership or control. The following securities were considered affiliated companies for all or some portion of the year ended December 31, 2020. Net realized gain (loss), investment income, change in net unrealized gain/loss, and purchase and sales cost reflect all activity for the period then ended.

Affiliate	Net Realized Gain (Loss)	Change in Net Unrealized Gain/Loss	Investment Income
T. Rowe Price Government Reserve Fund	\$ — [#]	\$ —	\$ 23 ⁺

Supplementary Investment Schedule

Affiliate	Value 12/31/19	Purchase Cost	Sales Cost	Value 12/31/20
T. Rowe Price Government Reserve Fund	\$ 7,254	□	□	\$ 1,702 [^]

[#] Capital gain distributions from mutual funds represented \$0 of the net realized gain (loss).

⁺ Investment income comprised \$23 of dividend income and \$0 of interest income.

□ Purchase and sale information not shown for cash management funds.

[^] The cost basis of investments in affiliated companies was \$1,702.

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

December 31, 2020

STATEMENT OF ASSETS AND LIABILITIES

(\$000s, except shares and per share amounts)

Assets

Investments in securities, at value (cost \$152,269)	\$	155,416
Interest receivable		716
Unrealized gain on bilateral swaps		85
Cash		28
Receivable for shares sold		20
Bilateral swap premiums paid		18
Total assets		<u>156,283</u>

Liabilities

Payable for investment securities purchased		1,212
Bilateral swap premiums received		151
Investment management and administrative fees payable		108
Payable for shares redeemed		103
Unrealized loss on bilateral swaps		22
Variation margin payable on futures contracts		5
Options written (premiums \$6)		2
Other liabilities		4
Total liabilities		<u>1,607</u>

NET ASSETS**\$ 154,676****Net Assets Consist of:**

Total distributable earnings (loss)	\$	4,064
Paid-in capital applicable to 30,925,877 shares of \$0.0001 par value capital stock outstanding; 1,000,000,000 shares of the Corporation authorized		<u>150,612</u>

NET ASSETS**\$ 154,676****NET ASSET VALUE PER SHARE****Limited-Term Bond Portfolio Class****(\$139,173,014 / 27,815,317 shares outstanding)****\$ 5.00****Limited-Term Bond Portfolio-II Class****(\$15,502,634 / 3,110,560 shares outstanding)****\$ 4.98**

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

STATEMENT OF OPERATIONS

(\$000s)

	Year Ended 12/31/20
Investment Income (Loss)	
Income	
Interest	\$ 7,167
Dividend	23
Total income	7,190
Expenses	
Investment management and administrative expense	1,990
Rule 12b-1 fees - Limited-Term Bond Portfolio-II Class	39
Waived / paid by Price Associates	(569)
Net expenses	1,460
Net investment income	5,730
Realized and Unrealized Gain / Loss	
Net realized gain (loss)	
Securities	3,318
Futures	1,323
Swaps	346
Options written	3
Net realized gain	4,990
Change in net unrealized gain / loss	
Securities	(270)
Futures	(37)
Swaps	(24)
Options written	4
Change in net unrealized gain / loss	(327)
Net realized and unrealized gain / loss	4,663
INCREASE IN NET ASSETS FROM OPERATIONS	\$ 10,393

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

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	Year Ended 12/31/20	12/31/19
Increase (Decrease) in Net Assets		
Operations		
Net investment income	\$ 5,730	\$ 10,987
Net realized gain	4,990	1,717
Change in net unrealized gain / loss	(327)	6,752
Increase in net assets from operations	10,393	19,456
Distributions to shareholders		
Net earnings		
Limited-Term Bond Portfolio Class	(5,511)	(10,835)
Limited-Term Bond Portfolio-II Class	(268)	(288)
Decrease in net assets from distributions	(5,779)	(11,123)
Capital share transactions *		
Shares sold		
Limited-Term Bond Portfolio Class	60,930	68,151
Limited-Term Bond Portfolio-II Class	12,810	9,517
Distributions reinvested		
Limited-Term Bond Portfolio Class	5,503	10,834
Limited-Term Bond Portfolio-II Class	268	288
Shares redeemed		
Limited-Term Bond Portfolio Class	(386,959)	(65,756)
Limited-Term Bond Portfolio-II Class	(14,624)	(8,655)
Increase (decrease) in net assets from capital share transactions	(322,072)	14,379
Net Assets		
Increase (decrease) during period	(317,458)	22,712
Beginning of period	472,134	449,422
End of period	\$ 154,676	\$ 472,134

*Share information

Shares sold		
Limited-Term Bond Portfolio Class	12,438	14,108
Limited-Term Bond Portfolio-II Class	2,617	1,966
Distributions reinvested		
Limited-Term Bond Portfolio Class	1,126	2,237
Limited-Term Bond Portfolio-II Class	55	60
Shares redeemed		
Limited-Term Bond Portfolio Class	(79,344)	(13,595)
Limited-Term Bond Portfolio-II Class	(2,987)	(1,803)
Increase (decrease) in shares outstanding	(66,095)	2,973

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

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price Fixed Income Series, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The Limited-Term Bond Portfolio (the fund) is a diversified, open-end management investment company established by the corporation. The fund seeks a high level of income consistent with moderate fluctuations in principal value. Shares of the fund currently are offered only to insurance company separate accounts established for the purpose of funding variable annuity contracts and variable life insurance policies. The fund has two classes of shares: the Limited-Term Bond Portfolio (Limited-Term Bond Portfolio Class) and the Limited-Term Bond Portfolio–II (Limited-Term Bond Portfolio–II Class). Limited-Term Bond Portfolio–II Class shares are sold through financial intermediaries, which it compensates for distribution, shareholder servicing, and/or certain administrative services under a Board-approved Rule 12b-1 plan. Each class has exclusive voting rights on matters related solely to that class; separate voting rights on matters that relate to both classes; and, in all other respects, the same rights and obligations as the other class.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Investment Transactions, Investment Income, and Distributions Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Premiums and discounts on debt securities are amortized for financial reporting purposes. Paydown gains and losses are recorded as an adjustment to interest income. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from mutual fund investments are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Distributions to shareholders are recorded on the ex-dividend date. Income distributions are declared by each class daily and paid monthly. A capital gain distribution may also be declared and paid by the fund annually.

Class Accounting Investment income and investment management and administrative expense are allocated to the classes based upon the relative daily net assets of each class's settled shares; realized and unrealized gains and losses are allocated based upon the relative daily net assets of each class's outstanding shares. Limited-Term Bond Portfolio–II Class pays Rule 12b-1 fees, in an amount not exceeding 0.25% of the class's average daily net assets.

Capital Transactions Each investor's interest in the net assets of the fund is represented by fund shares. The fund's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET, each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. Purchases and redemptions of fund shares are transacted at the next-computed NAV per share, after receipt of the transaction order by T. Rowe Price Associates, Inc., or its agents.

New Accounting Guidance In March 2020, the FASB issued Accounting Standards Update (ASU), ASU 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides optional, temporary relief with respect to the financial reporting of contracts subject to certain types of modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021. The guidance is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management expects that the adoption of the guidance will not have a material impact on the fund's financial statements.

Indemnification In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

NOTE 2 - VALUATION

Fair Value The fund's financial instruments are valued at the close of the NYSE and are reported at fair value, which GAAP defines 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. The T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures and approves all fair value determinations. Specifically, the Valuation Committee establishes policies and procedures used in valuing financial instruments, including those which cannot be valued in accordance with normal procedures or using pricing vendors; determines pricing techniques, sources, and persons eligible to effect fair value pricing actions; evaluates the services and performance of the pricing vendors; oversees the pricing process to ensure policies and procedures are being followed; and provides guidance on internal controls and valuation-related matters. The Valuation Committee provides periodic reporting to the Board on valuation matters.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs (including the fund's own assumptions in determining fair value)

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. When multiple inputs are used to derive fair value, the financial instrument is assigned to the level within the fair value hierarchy based on the lowest-level input that is significant to the fair value of the financial instrument. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

Valuation Techniques Debt securities generally are traded in the over-the-counter (OTC) market and are valued at prices furnished by independent pricing services or by broker dealers who make markets in such securities. When valuing securities, the independent pricing services consider the yield or price of bonds of comparable quality, coupon, maturity, and type, as well as prices quoted by dealers who make markets in such securities.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation. Listed options, and OTC options with a listed equivalent, are valued at the mean of the closing bid and asked prices and Exchange-traded options on futures contracts are valued at closing settlement prices. Futures contracts are valued at closing settlement prices. Swaps are valued at prices furnished by an independent pricing service or independent swap dealers. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value.

Investments for which market quotations or market-based valuations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Committee, in accordance with fair valuation policies and procedures. The objective of any fair value pricing determination is to arrive at a price that could reasonably be expected from a current sale. Financial instruments fair valued by the Valuation Committee are primarily private placements, restricted securities, warrants, rights, and other securities that are not publicly traded. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Committee typically will afford greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Committee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; discounted cash flows; yield to maturity; or some combination. Fair value determinations are reviewed on a regular basis and updated as

information becomes available, including actual purchase and sale transactions of the investment. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions, and fair value prices determined by the Valuation Committee could differ from those of other market participants.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on December 31, 2020 (for further detail by category, please refer to the accompanying Portfolio of Investments):

(\$000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Fixed Income Securities ¹	\$ —	\$ 152,869	\$ —	\$ 152,869
Short-Term Investments	1,702	844	—	2,546
Options Purchased	—	1	—	1
Total Securities	1,702	153,714	—	155,416
Swaps	—	37	—	37
Futures Contracts*	24	—	—	24
Total	\$ 1,726	\$ 153,751	\$ —	\$ 155,477
Liabilities				
Options Written	\$ —	\$ 2	\$ —	\$ 2
Swaps	—	107	—	107
Futures Contracts*	22	—	—	22
Total	\$ 22	\$ 109	\$ —	\$ 131

¹Includes Corporate Bonds, Asset-Backed Securities, Non-U.S. Government Mortgage-Backed Securities, U.S. Government & Agency Mortgage-Backed Securities, U.S. Government Agency Obligations (Excluding Mortgage-Backed), Foreign Government Obligations & Municipalities, Municipal Securities.

*The fair value presented includes cumulative gain (loss) on open futures contracts; however, the net value reflected on the accompanying Portfolio of Investments is only the unsettled variation margin receivable (payable) at that date.

NOTE 3 - DERIVATIVE INSTRUMENTS

During the year ended December 31, 2020, the fund invested in derivative instruments. As defined by GAAP, a derivative is a financial instrument whose value is derived from an underlying security price, foreign exchange rate, interest rate, index of prices or rates, or other variable; it requires little or no initial investment and permits or requires net settlement. The fund invests in derivatives only if the expected risks and rewards are consistent with its investment objectives, policies, and overall risk profile, as described in its prospectus and Statement of Additional Information. The fund may use derivatives for a variety of purposes, such as seeking to hedge against declines in principal value, increase yield, invest in an asset with greater efficiency and at a lower cost than is possible through direct investment, to enhance return, or to adjust portfolio duration and credit exposure. The risks associated with the use of derivatives are different from, and potentially much greater than, the risks associated with investing directly in the instruments on which the derivatives are based. The fund at all times maintains sufficient cash reserves, liquid assets, or other SEC-permitted asset types to cover its settlement obligations under open derivative contracts.

The fund values its derivatives at fair value and recognizes changes in fair value currently in its results of operations. Accordingly, the fund does not follow hedge accounting, even for derivatives employed as economic hedges. Generally, the fund accounts for its derivatives on a gross basis. It does not offset the fair value of derivative liabilities against the fair value of derivative assets on its financial statements, nor does it offset the fair value of derivative instruments against the right to reclaim or obligation to return collateral.

The following table summarizes the fair value of the fund's derivative instruments held as of December 31, 2020, and the related location on the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

(\$000s)	Location on Statement of Assets and Liabilities	Fair Value
Assets		
Interest rate derivatives	Futures*	\$ 24
Credit derivatives	Securities^, Bilateral Swaps, and Premiums	38
Total		<u>\$ 62</u>
Liabilities		
Interest rate derivatives	Futures*	\$ 22
Credit derivatives	Options written, Bilateral Swaps, and Premiums	109
Total		<u>\$ 131</u>

*The fair value presented includes cumulative gain (loss) on open futures contracts; however, the value reflected on the accompanying Statement of Assets and Liabilities is only the unsettled variation margin receivable (payable) at that date.

^Options purchased are reported as securities and are reflected in the accompanying Portfolio of Investments.

Additionally, the amount of gains and losses on derivative instruments recognized in fund earnings during the year ended December 31, 2020, and the related location on the accompanying Statement of Operations is summarized in the following table by primary underlying risk exposure:

(\$000s)	Location of Gain (Loss) on Statement of Operations			
	Options Written	Futures	Swaps	Total
Realized Gain (Loss)				
Interest rate derivatives	\$ —	\$ 1,323	\$ —	\$ 1,323
Credit derivatives	3	—	346	349
Total	<u>\$ 3</u>	<u>\$ 1,323</u>	<u>\$ 346</u>	<u>\$ 1,672</u>
Change in Unrealized Gain (Loss)				
Interest rate derivatives	\$ —	\$ (37)	\$ —	\$ (37)
Credit derivatives	4	—	(24)	(20)
Total	<u>\$ 4</u>	<u>\$ (37)</u>	<u>\$ (24)</u>	<u>\$ (57)</u>

Counterparty Risk and Collateral The fund invests in derivatives in various markets, which expose it to differing levels of counterparty risk. Counterparty risk on exchange-traded and centrally cleared derivative contracts, such as futures, exchange-traded options, and centrally cleared swaps, is minimal because the clearinghouse provides protection against counterparty defaults. For futures and centrally cleared swaps, the fund is required to deposit collateral in an amount specified by the clearinghouse and the clearing firm (margin requirement), and the margin requirement must be maintained over the life of the contract. Each clearinghouse and clearing firm, in its sole discretion, may adjust the margin requirements applicable to the fund.

Derivatives, such as bilateral swaps, forward currency exchange contracts, and OTC options, that are transacted and settle directly with a counterparty (bilateral derivatives) may expose the fund to greater counterparty risk. To mitigate this risk, the fund has entered into master netting arrangements (MNAs) with certain counterparties that permit net settlement under specified conditions and, for certain counterparties, also require the exchange of collateral to cover mark-to-market exposure. MNAs may be in the form of International Swaps and Derivatives Association master agreements (ISDAs) or foreign exchange letter agreements (FX letters).

MNAs provide the ability to offset amounts the fund owes a counterparty against amounts the counterparty owes the fund (net settlement). Both ISDAs and FX letters generally allow termination of transactions and net settlement upon the occurrence of contractually specified events, such as failure to pay or bankruptcy. In addition, ISDAs specify other events, the occurrence of which would allow one of the parties to terminate. For example, a downgrade in credit rating of a counterparty below a specified rating would allow the fund to terminate, while a decline in the fund's net assets of more than a specified percentage would allow the counterparty to terminate. Upon termination, all transactions with that counterparty would be liquidated and a net termination amount settled. ISDAs include collateral agreements whereas FX letters do not. Collateral requirements are determined daily based on the net aggregate unrealized gain or loss on all bilateral derivatives with a counterparty, subject to minimum transfer amounts that typically range from \$100,000 to \$250,000. Any additional collateral required due to changes in security values is typically transferred the next business day.

Collateral may be in the form of cash or debt securities issued by the U.S. government or related agencies. Cash posted by the fund is reflected as cash deposits in the accompanying financial statements and generally is restricted from withdrawal by the fund; securities posted by the fund are so noted in the accompanying Portfolio of Investments; both remain in the fund's assets. Collateral pledged by counterparties is not included in the fund's assets because the fund does not obtain effective control over those assets. For bilateral derivatives, collateral posted or received by the fund is held in a segregated account at the fund's custodian. While typically not sold in the same manner as equity or fixed income securities, exchange-traded or centrally cleared derivatives may be closed out only on the exchange or clearinghouse where the contracts were traded, and OTC and bilateral derivatives may be unwound with counterparties or transactions assigned to other counterparties to allow the fund to exit the transaction. This ability is subject to the liquidity of underlying positions. As of December 31, 2020, no collateral was pledged by either the fund or counterparties for bilateral derivatives. As of December 31, 2020, securities valued at \$114,000 had been posted by the fund for exchange-traded and/or centrally cleared derivatives.

Futures Contracts The fund is subject to interest rate risk in the normal course of pursuing its investment objectives and uses futures contracts to help manage such risk. The fund may enter into futures contracts to manage exposure to interest rate and yield curve movements, security prices, foreign currencies, credit quality, and mortgage prepayments; as an efficient means of adjusting exposure to all or part of a target market; to enhance income; as a cash management tool; or to adjust portfolio duration and credit exposure. A futures contract provides for the future sale by one party and purchase by another of a specified amount of a specific underlying financial instrument at an agreed-upon price, date, time, and place. The fund currently invests only in exchange-traded futures, which generally are standardized as to maturity date, underlying financial instrument, and other contract terms. Payments are made or received by the fund each day to settle daily fluctuations in the value of the contract (variation margin), which reflect changes in the value of the underlying financial instrument. Variation margin is recorded as unrealized gain or loss until the contract is closed. The value of a futures contract included in net assets is the amount of unsettled variation margin; net variation margin receivable is reflected as an asset and net variation margin payable is reflected as a liability on the accompanying Statement of Assets and Liabilities. Risks related to the use of futures contracts include possible illiquidity of the futures markets, contract prices that can be highly volatile and imperfectly correlated to movements in hedged security values and/or interest rates, and potential losses in excess of the fund's initial investment. During the year ended December 31, 2020, the volume of the fund's activity in futures, based on underlying notional amounts, was generally between 21% and 36% of net assets.

Options The fund is subject to credit risk in the normal course of pursuing its investment objectives and uses options to help manage such risk. The fund may use options to manage exposure to security prices, interest rates, foreign currencies, and credit quality; as an efficient means of adjusting exposure to all or a part of a target market; to enhance income; as a cash management tool; or to adjust credit exposure. Options are included in net assets at fair value, options purchased are included in Investments in Securities, and Options written are separately reflected as a liability on the accompanying Statement of Assets and Liabilities. Premiums on unexercised, expired options are recorded as realized gains or losses; premiums on exercised options are recorded as an adjustment to the proceeds from the sale or cost of the purchase. The difference between the premium and the amount received or paid in a closing transaction is also treated as realized gain or loss. In return for a premium paid, options on swaps give the holder the right, but not the obligation, to enter a specified swap contract on predefined terms. The exercise price of an option on a credit default swap is stated in terms of a

specified spread that represents the cost of credit protection on the reference asset, including both the upfront premium to open the position and future periodic payments. The exercise price of an interest rate swap is stated in terms of a fixed interest rate; generally, there is no upfront payment to open the position. Risks related to the use of options include possible illiquidity of the options markets; trading restrictions imposed by an exchange or counterparty; movements in the underlying asset values and credit ratings; and, for options written, potential losses in excess of the fund's initial investment. During the year ended December 31, 2020, the volume of the fund's activity in options, based on underlying notional amounts, was generally between 0% and 3% of net assets.

Swaps The fund is subject to credit risk in the normal course of pursuing its investment objectives and uses swap contracts to help manage such risk. The fund may use swaps in an effort to manage both long and short exposure to changes in interest rates, inflation rates, and credit quality; to adjust overall exposure to certain markets; to enhance total return or protect the value of portfolio securities; to serve as a cash management tool; or to adjust portfolio duration and credit exposure. Swap agreements can be settled either directly with the counterparty (bilateral swap) or through a central clearinghouse (centrally cleared swap). Fluctuations in the fair value of a contract are reflected in unrealized gain or loss and are reclassified to realized gain or loss upon contract termination or cash settlement. Net periodic receipts or payments required by a contract increase or decrease, respectively, the value of the contract until the contractual payment date, at which time such amounts are reclassified from unrealized to realized gain or loss. For bilateral swaps, cash payments are made or received by the fund on a periodic basis in accordance with contract terms; unrealized gain on contracts and premiums paid are reflected as assets and unrealized loss on contracts and premiums received are reflected as liabilities on the accompanying Statement of Assets and Liabilities. For bilateral swaps, premiums paid or received are amortized over the life of the swap and are recognized as realized gain or loss in the Statement of Operations. For centrally cleared swaps, payments are made or received by the fund each day to settle the daily fluctuation in the value of the contract (variation margin). Accordingly, the value of a centrally cleared swap included in net assets is the unsettled variation margin; net variation margin receivable is reflected as an asset and net variation margin payable is reflected as a liability on the accompanying Statement of Assets and Liabilities.

Credit default swaps are agreements where one party (the protection buyer) agrees to make periodic payments to another party (the protection seller) in exchange for protection against specified credit events, such as certain defaults and bankruptcies related to an underlying credit instrument, or issuer or index of such instruments. Upon occurrence of a specified credit event, the protection seller is required to pay the buyer the difference between the notional amount of the swap and the value of the underlying credit, either in the form of a net cash settlement or by paying the gross notional amount and accepting delivery of the relevant underlying credit. For credit default swaps where the underlying credit is an index, a specified credit event may affect all or individual underlying securities included in the index and will be settled based upon the relative weighting of the affected underlying security(ies) within the index. Generally, the payment risk for the seller of protection is inversely related to the current market price or credit rating of the underlying credit or the market value of the contract relative to the notional amount, which are indicators of the markets' valuation of credit quality. As of December 31, 2020, the notional amount of protection sold by the fund totaled \$5,355,000 (3.5% of net assets), which reflects the maximum potential amount the fund could be required to pay under such contracts. Risks related to the use of credit default swaps include the possible inability of the fund to accurately assess the current and future creditworthiness of underlying issuers, the possible failure of a counterparty to perform in accordance with the terms of the swap agreements, potential government regulation that could adversely affect the fund's swap investments, and potential losses in excess of the fund's initial investment.

During the year ended December 31, 2020, the volume of the fund's activity in swaps, based on underlying notional amounts, was generally between 0% and 7% of net assets.

NOTE 4 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Restricted Securities The fund invests in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

Collateralized Loan Obligations The fund invests in collateralized loan obligations (CLOs) which are entities backed by a diversified pool of syndicated bank loans. The cash flows of the CLO can be split into multiple segments, called "tranches" or "classes", which will vary in risk profile and yield. The riskiest segments, which are the subordinate or "equity" tranches, bear the greatest risk of loss from

defaults in the underlying assets of the CLO and serve to protect the other, more senior, tranches. Senior tranches will typically have higher credit ratings and lower yields than the securities underlying the CLO. Despite the protection from the more junior tranches, senior tranches can experience substantial losses.

TBA Purchase, Sale Commitments and Forward Settling Mortgage Obligations The fund enters into to-be-announced (TBA) purchase or sale commitments (collectively, TBA transactions), pursuant to which it agrees to purchase or sell, respectively, mortgage-backed securities for a fixed unit price, with payment and delivery at a scheduled future date beyond the customary settlement period for such securities. With TBA transactions, the particular securities to be received or delivered by the fund are not identified at the trade date; however, the securities must meet specified terms, including rate and mortgage term, and be within industry-accepted “good delivery” standards. The fund may enter into TBA transactions with the intention of taking possession of or relinquishing the underlying securities, may elect to extend the settlement by “rolling” the transaction, and/or may use TBA transactions to gain or reduce interim exposure to underlying securities. Until settlement, the fund maintains liquid assets sufficient to settle its commitment to purchase a TBA or, in the case of a sale commitment, the fund maintains an entitlement to the security to be sold.

To mitigate counterparty risk, the fund has entered into Master Securities Forward Transaction Agreements (MSFTA) with counterparties that provide for collateral and the right to offset amounts due to or from those counterparties under specified conditions. Subject to minimum transfer amounts, collateral requirements are determined and transfers made based on the net aggregate unrealized gain or loss on all TBA commitments and other forward settling mortgage obligations with a particular counterparty (collectively, MSFTA Transactions). At any time, the fund’s risk of loss from a particular counterparty related to its MSFTA Transactions is the aggregate unrealized gain on appreciated MSFTA Transactions in excess of unrealized loss on depreciated MSFTA Transactions and collateral received, if any, from such counterparty. As of December 31, 2020, no collateral was pledged by the fund or counterparties for MSFTA Transactions.

Mortgage-Backed Securities The fund invests in mortgage-backed securities (MBS or pass-through certificates) that represent an interest in a pool of specific underlying mortgage loans and entitle the fund to the periodic payments of principal and interest from those mortgages. MBS may be issued by government agencies or corporations, or private issuers. Most MBS issued by government agencies are guaranteed; however, the degree of protection differs based on the issuer. MBS are sensitive to changes in economic conditions that affect the rate of prepayments and defaults on the underlying mortgages; accordingly, the value, income, and related cash flows from MBS may be more volatile than other debt instruments.

LIBOR The fund may invest in instruments that are tied to reference rates, including LIBOR. On July 27, 2017, the United Kingdom’s Financial Conduct Authority announced a decision to transition away from LIBOR by the end of 2021. There remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement rate. Any potential effects of the transition away from LIBOR on the fund, or on certain instruments in which the fund invests, are not known. The transition process may result in, among other things, an increase in volatility or illiquidity of markets for instruments that currently rely on LIBOR, a reduction in the value of certain instruments held by the fund, or a reduction in the effectiveness of related fund transactions such as hedges. Any such effects could have an adverse impact on the fund’s performance.

Other Purchases and sales of portfolio securities other than short-term and U.S. government securities aggregated \$110,354,000 and \$334,719,000, respectively, for the year ended December 31, 2020. Purchases and sales of U.S. government securities aggregated \$89,037,000 and \$183,000,000, respectively, for the year ended December 31, 2020.

NOTE 5 - FEDERAL INCOME TAXES

Generally, no provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund’s tax returns are subject to examination by the 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.

Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The permanent book/tax adjustments have no impact on results of operations or net assets and relate primarily to the character of income on swaps.

Distributions during the years ended December 31, 2020 and December 31, 2019, totaled \$5,779,000 and \$11,123,000, respectively, and were characterized as ordinary income for tax purposes. At December 31, 2020, the tax-basis cost of investments, including derivatives, and components of net assets were as follows:

(\$000s)	
Cost of investments	\$ 152,577
Unrealized appreciation	\$ 3,583
Unrealized depreciation	(814)
Net unrealized appreciation (depreciation)	2,769
Undistributed ordinary income	1,295
Paid-in capital	150,612
Net assets	\$ 154,676

The difference between book-basis and tax-basis net unrealized appreciation (depreciation) is attributable to the deferral of losses from certain derivative contracts for tax purposes. During the year ended December 31, 2020, the fund utilized \$3,899,000 of capital loss carryforwards.

NOTE 6 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management and administrative agreement between the fund and Price Associates provides for an all-inclusive annual fee equal to 0.70% of the fund's average daily net assets. The fee is computed daily and paid monthly. The all-inclusive fee covers investment management services and ordinary, recurring operating expenses but does not cover interest expense; expenses related to borrowing, taxes, and brokerage; or nonrecurring expenses. Effective July 1, 2018, Price Associates has contractually agreed, at least through April 30, 2021 to waive a portion of its management fee in order to limit the fund's management fee to 0.50% of the fund's average daily net assets. Thereafter, this agreement automatically renews for one-year terms unless terminated or modified by the fund's Board. Fees waived and expenses paid under this agreement are not subject to reimbursement to Price Associates by the fund. The total management fees waived were \$569,000 and allocated ratably in the amounts of \$537,000 for the Limited-Term Bond Portfolio Class, \$32,000 for the Limited-Term Bond Portfolio-II Class, for the year ended December 31, 2020.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds, or the T. Rowe Price Short-Term Fund, a short-term bond fund (collectively, the Price Reserve Funds). The Price Reserve Funds are offered as short-term investment options to mutual funds, trusts, and other accounts managed by Price Associates or its affiliates and are not available for direct purchase by members of the public. Cash collateral from securities lending is invested in the T. Rowe Price Short-Term Fund. The Price Reserve Funds pay no investment management fees.

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the year ended December 31, 2020, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

NOTE 7 - OTHER MATTERS

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which a fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks. During 2020, a novel strain of coronavirus (COVID-19) resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

These types of events, such as the global pandemic caused by COVID-19, may also cause widespread fear and uncertainty, and result in, among other things: enhanced health screenings, quarantines, cancellations, and travel restrictions, including border closings; disruptions to business operations, supply chains and customer activity; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; reductions in consumer demand and economic output; and significant challenges in healthcare service preparation and delivery. The fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of the fund, its investment advisers, and the fund's service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operational systems, extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies.

Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets. The impact of this outbreak has adversely affected the economies of many nations and the entire global economy and may impact individual issuers and capital markets in ways that cannot be foreseen. Other infectious illness outbreaks that may arise in the future could have similar or other unforeseen effects. The duration of this outbreak or others and their effects cannot be determined with certainty.

Report of Independent Registered Public Accounting Firm

**To the Board of Directors of T. Rowe Price Fixed Income Series, Inc. and
Shareholders of T. Rowe Price Limited-Term Bond Portfolio**

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price Limited-Term Bond Portfolio (one of the portfolios constituting T. Rowe Price Fixed Income Series, Inc., referred to hereafter as the “Fund”) as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodians, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Baltimore, Maryland
February 9, 2021

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

TAX INFORMATION (UNAUDITED) FOR THE TAX YEAR ENDED 12/31/20

We are providing this information as required by the Internal Revenue Code. The amounts shown may differ from those elsewhere in this report because of differences between tax and financial reporting requirements.

The fund's distributions to shareholders included \$49,000 from short-term capital gains.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds and portfolios to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

<https://www.troweprice.com/corporate/en/utility/policies.html>

Scroll down to the section near the bottom of the page that says, "Proxy Voting Policies." Click on the Proxy Voting Policies link in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

Effective for reporting periods on or after March 1, 2019, a fund, except a money market fund, files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. Prior to March 1, 2019, a fund, including a money market fund, filed a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. A money market fund files detailed month-end portfolio holdings information on Form N-MFP with the SEC each month and posts a complete schedule of portfolio holdings on its website (troweprice.com) as of each month-end for the previous six months. A fund's Forms N-PORT, N-MFP, and N-Q are available electronically on the SEC's website (sec.gov).

ABOUT THE PORTFOLIO'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund's officers, who are listed in the final table. At least 75% of the Board's members are considered to be independent, i.e., not "interested persons" as defined in Section 2(a)(19) of the 1940 Act, of the Boards of T. Rowe Price Associates, Inc. (T. Rowe Price), and its affiliates; "interested" directors and officers are employees of T. Rowe Price. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

INDEPENDENT DIRECTORS^(a)

Name (Year of Birth) Year Elected* [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
Teresa Bryce Bazemore (1959) 2018 [190]	President, Radian Guaranty (2008 to 2017); Chief Executive Officer, Bazemore Consulting LLC (2018 to present); Director, Chimera Investment Corporation (2017 to present); Director, First Industrial Realty Trust (2020 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to 2019)
Ronald J. Daniels (1959) 2018 [190]	President, The Johns Hopkins University ^(b) and Professor, Political Science Department, The Johns Hopkins University (2009 to present); Director, Lyndhurst Holdings (2015 to present); Director, BridgeBio Pharma, Inc. (2020 to present)
Bruce W. Duncan (1951) 2013 [190]	President, Chief Executive Officer, and Director, CyrusOne, Inc. (2020 to present); Chief Executive Officer and Director (2009 to 2016), Chairman of the Board (2016 to 2020), and President (2009 to 2016), First Industrial Realty Trust, owner and operator of industrial properties; Chairman of the Board (2005 to 2016) and Director (1999 to 2016), Starwood Hotels & Resorts, a hotel and leisure company; Member, Investment Company Institute Board of Governors (2017 to 2019); Member, Independent Directors Council Governing Board (2017 to 2019); Senior Advisor, KKR (2018 to present); Director, Boston Properties (2016 to present); Director, Marriott International, Inc. (2016 to 2020)
Robert J. Gerrard, Jr. (1952) 2013 [190]	Advisory Board Member, Pipeline Crisis/Winning Strategies, a collaborative working to improve opportunities for young African Americans (1997 to 2016); Chairman of the Board, all funds (since July 2018)
Paul F. McBride (1956) 2013 [190]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)
Cecilia E. Rouse, Ph.D. (1963) 2013 [190]	Dean, Princeton School of Public and International Affairs (2012 to present); Professor and Researcher, Princeton University (1992 to present); Director of Education Studies Committee, MDRC, a nonprofit education and social policy research organization (2011 to 2020); Member, National Academy of Education (2010 to present); Board Member, National Bureau of Economic Research (2011 to present); Board Member of the Council on Foreign Relations (2018 to present); Board Member, The Pennington School (2017 to present); Board Member, the University of Rhode Island (2020 to present); Chair of Committee on the Status of Minority Groups in the Economic Profession of the American Economic Association (2012 to 2018); Vice President (2015 to 2016) and Board Member (2018 to present), American Economic Association
John G. Schreiber (1946) 1994 [190]	Owner/President, Centaur Capital Partners, Inc., a real estate investment company (1991 to present); Cofounder, Partner, and Cochairman of the Investment Committee, Blackstone Real Estate Advisors, L.P. (1992 to 2015); Director, Blackstone Mortgage Trust, a real estate finance company (2012 to 2016); Director and Chairman of the Board, Brixmor Property Group, Inc. (2013 to present); Director, Hilton Worldwide (2007 to present); Director, Hudson Pacific Properties (2014 to 2016); Director, Invitation Homes (2014 to 2017); Director, JMB Realty Corporation (1980 to present)

^(a)All information about the independent directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

^(b)William J. Stromberg, president and chief executive officer of T. Rowe Price Group, Inc., the parent company of the Price Funds' investment advisor, has served on the Board of Trustees of Johns Hopkins University since 2014.

INTERESTED DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
David Oestreicher (1967) 2018 [190]	General Counsel, Vice President, and Secretary, T. Rowe Price Group, Inc.; Chairman of the Board, Chief Executive Officer, President, and Secretary, T. Rowe Price Trust Company; Director, Vice President, and Secretary, T. Rowe Price, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.; Vice President and Secretary, T. Rowe Price International; Vice President, T. Rowe Price Hong Kong (Price Hong Kong), T. Rowe Price Japan (Price Japan), and T. Rowe Price Singapore (Price Singapore); Principal Executive Officer and Executive Vice President, all funds
Robert W. Sharps, CFA, CPA (1971) 2019 [190]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company;

^(a)All information about the interested directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

OFFICERS

Name (Year of Birth) Position Held With Fixed Income Series	Principal Occupation(s)
Colin T. Bando, CFA (1987) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Stephen L. Bartolini, CFA (1977) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Darrell N. Braman (1963) Vice President	Vice President, Price Hong Kong, Price Singapore, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, T. Rowe Price Investment Services, Inc., and T. Rowe Price Services, Inc.
Jason T. Collins, CFA (1971) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
M. Helena Condez (1962) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Michael P. Daley (1981) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Levent Demirekler, CFA (1974) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Alan S. Dupski, CPA (1982) Principal Financial Officer, Vice President, and Treasurer	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Stephanie A. Gentile, CFA (1956) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
John R. Gilner (1961) Chief Compliance Officer	Chief Compliance Officer and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Investment Services, Inc.
Gary J. Greb (1961) Vice President	Vice President, T. Rowe Price, T. Rowe Price International, and T. Rowe Price Trust Company
Charles B. Hill, CFA (1961) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Keir R. Joyce, CFA (1972) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Steven M. Kohlenstein, CFA (1987) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

OFFICERS (CONTINUED)

Name (Year of Birth) Position Held With Fixed Income Series	Principal Occupation(s)
Paul J. Krug, CPA (1964) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Alan D. Levenson, Ph.D. (1958) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Joseph K. Lynagh, CFA (1958) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Cheryl A. Mickel, CFA (1967) President	Director and Vice President, T. Rowe Price Trust Company; Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Alexander S. Obaza (1981) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Fran M. Pollack-Matz (1961) Vice President and Secretary	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Shannon H. Rauser (1987) Assistant Secretary	Assistant Vice President, T. Rowe Price
Michael F. Reinartz, CFA (1973) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Chen Shao (1980) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Jeanny Silva (1975) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Douglas D. Spratley, CFA (1969) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Megan Warren (1968) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; formerly, Executive Director, JPMorgan Chase (to 2017)

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

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T.RowePrice®

100 East Pratt Street
Baltimore, MD 21202

Call 1-800-225-5132 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.



ANNUAL REPORT

December 31, 2020

T. ROWE PRICE

Equity Income Portfolio

For more insights from T. Rowe Price investment professionals,
go to **[troweprice.com](https://www.troweprice.com)**.

HIGHLIGHTS

- The Equity Income Portfolio returned 1.18% for the 12-month period. The fund underperformed both the Russell 1000 Value Index and the Lipper Variable Annuity Underlying Equity Income Funds Average.
- Within the fund, absolute detractors were concentrated within sectors disproportionately impacted by the coronavirus pandemic and the resultant concerns over the state of the global economy. Top contributors were dispersed more evenly among sectors.
- Changes in sector allocation were the result of our bottom-up stock selection. As the year progressed, we reallocated funds from bid-up areas of the market to certain sectors that we believe have been underappreciated and thus offer compelling valuations.
- Ultimately, we believe that there may be a recoupling between the market and the economy in 2021, which might benefit areas of the market that were left behind over the course of 2020. We remain focused on finding companies that have the financial strength to make it through a wide range of environments and that offer the best balance of quality and valuation appeal.

Go Paperless

Sign up for e-delivery of your statements, confirmations, and prospectuses or shareholder reports.



TO ENROLL:

If you invest directly with T. Rowe Price, go to **troweprice.com/paperless**.

If you invest through an investment advisor, a bank, or a brokerage firm, please contact that organization and ask if it can provide electronic documentation.

It's fast—receive your statements and confirmations faster than U.S. mail.

It's convenient—access your important account documents whenever you need them.

It's secure—we protect your online accounts using “True Identity” to confirm new accounts and make verification faster and more secure.

It can save you money—where applicable, T. Rowe Price passes on the cost savings to fund holders.*

Log in to your account at **troweprice.com** for more information.

*Certain mutual fund accounts that are assessed an annual account service fee can also save money by switching to e-delivery.

Dear Investor

Nearly all major stock and bond indexes produced positive results during 2020 as markets recovered from the steep sell-off that resulted from the spread of the coronavirus. Extraordinary fiscal and monetary support from global governments and central banks helped spur the rebound, although the pandemic continued to pose significant public health and economic challenges as the year came to an end.

In the U.S., the large-cap Dow Jones Industrial Average and S&P 500 Index reached record highs, as did the technology-heavy Nasdaq Composite Index—a result that few would have predicted in late March after the benchmarks tumbled more than 30% as governments instituted lockdowns to try to halt the spread of the virus. Large-cap information technology and internet-related firms helped lead the rebound as they benefited from the work-from-home environment and an acceleration in demand for online services.

Within the S&P 500, the technology and consumer discretionary sectors were the top performers, and communication services and materials stocks also outperformed. Despite a late rally, the energy sector trailed with significant losses due to a plunge in oil prices.

Most equity markets outside the U.S. also performed well. Emerging markets outpaced developed markets, and Asian shares delivered strong results as China and other countries in the region proved relatively successful in containing the coronavirus.

Growth stocks significantly outpaced their value counterparts for the full year; however, value shares rallied late in the period. Positive vaccine news in November raised hopes for a return to normalcy in 2021 and boosted sectors that had been beaten down in the initial phases of the pandemic.

Within the fixed income universe, corporate bonds delivered strong results as the market easily absorbed a torrent of new issuance. After falling to record lows in March, intermediate- and longer-term Treasury yields ticked higher later in the year but remained very low by historical standards, a factor that encouraged investors to seek out riskier securities with higher return potential.

While investors had reason to cheer the market's recovery, the global economic outlook remained unclear as the year came to an end. Most notable on the positive side was the start of vaccine distributions, which provided hope that the pandemic was in its final phase. In addition, Congress passed a

\$900 billion coronavirus relief package, supplementing the \$2.4 trillion allocated to address the crisis earlier in the year, and the Fed continued to pledge very accommodative monetary policies for the foreseeable future. Meanwhile, political uncertainty diminished with Joe Biden's victory in the U.S. presidential election and the completion of a Brexit trade deal between the UK and the European Union.

On the negative side, concerns about a resurgence in virus hospitalizations led to new lockdowns and business restrictions in many countries, which in turn appeared to threaten economic recoveries. In the U.S., after a strong recovery in the summer and fall, the pace of hiring slowed late in the year, and household spending declined in November for the first time since April.

It was a remarkable 12-month period in many ways, but as far as markets are concerned, I can recall no calendar year that so starkly displayed evidence of both fear and greed. Fear emerged during the March sell-off and again in April as oil futures briefly traded in negative territory. Greed surfaced later as some assets seemed to continue to rally without fundamental support. Bitcoin rocketed to a record high of \$29,000 by year-end, and the amount of money raised by initial public offerings also climbed to historic levels. While valuations are still attractive in some areas of the market, other sectors appear to have already priced in a strong rebound in earnings and are trading at elevated levels.

There are both risks and potential rewards in this environment, and we believe strong fundamental analysis and skilled active security selection will remain critical components of investment success.

Thank you for your continued confidence in T. Rowe Price.

Sincerely,



Robert Sharps
Group Chief Investment Officer

INVESTMENT OBJECTIVE

The fund seeks a high level of dividend income and long-term capital growth primarily through investments in stocks.

FUND COMMENTARY

How did the fund perform in the past 12 months?

The Equity Income Portfolio returned 1.18% for the 12-month period ended December 31, 2020. The fund underperformed the Russell 1000 Value Index as well as its peer group, the Lipper Variable Annuity Underlying Equity Income Funds Average. (Returns for the II Class shares varied slightly, reflecting their different fee structure. *Past performance cannot guarantee future results.*)

Periods Ended 12/31/20	Total Return	
	6 Months	12 Months
Equity Income Portfolio	24.72%	1.18%
Equity Income Portfolio-II	24.58	0.96
Russell 1000 Value Index	22.75	2.80
S&P 500 Index	22.16	18.40
Lipper Variable Annuity Underlying Equity Income Funds Average	20.01	2.96

What factors influenced the fund's performance?

U.S. equity market performance in 2020 was unusually narrow, resulting in a large dispersion between value and growth stocks. This disparity was a headwind to fund performance for most of the year as low-valuation and high-yielding stocks significantly underperformed. During the fourth quarter, however, our performance rebounded notably as several of our long-term bets began to turn the corner and valuation as a factor was no longer a headwind.

Several financials names, including **JPMorgan Chase**, **Wells Fargo**, and **U.S. Bancorp**, struggled as investors expressed concern over the state of the global economy and resulting credit risk caused by the coronavirus pandemic. On top of the broader macroeconomic headwinds that plagued financials for much of the year, Wells Fargo struggled amid idiosyncratic concerns about an 80% dividend cut, combined with a lack of progress on cost-cutting and the continuation of the Fed-mandated asset cap, which prevented the company from growing its loan book during the pandemic. While we expect additional rate and credit pressure going forward, we believe Wells Fargo has good long-term fundamentals and an attractive valuation. In our view, the bank is set up for an earnings and valuation re-rate on the other side of the pandemic, particularly if it can satisfy regulators' consent orders and be able to grow its assets once more. Although

most banks saw disappointing returns in 2020, there was a wide divergence in performance, as some banks were considered higher quality by the market and therefore better positioned to withstand the pandemic pressures. JPMorgan Chase and U.S. Bancorp were two such companies owned in the portfolio, so we took advantage of the relative strength by trimming JPMorgan Chase and eliminating U.S. Bancorp in favor of more attractive risk/reward stories elsewhere in our investment universe. (Please refer to the portfolio of investments for a complete list of holdings and the amount each represents in the portfolio.)

The energy sector also featured several detractors from performance. Global exploration and production company **Occidental Petroleum** fell sharply in March as the company was forced to slash its spending projections in the wake of the Saudi-Russian oil market share battle, which sent crude prices lower. The stock finished the year as a significant absolute and relative detractor, and we trimmed most of our position in recognition of the changing risk profile of the investment brought on by the pandemic. **ExxonMobil** suffered from operational headwinds related to the coronavirus pandemic, which adversely impacted the company's near-term earnings power. However, our underweight in the name benefited relative returns for the year.

Elsewhere in the portfolio, shares of **Tyson Foods** declined early in the period due to input cost inflation and broader market uncertainty stemming from the coronavirus pandemic, which hampered exports to China and shifted demand to residential use from food services. Industry-wide price-fixing allegations also pressured shares of chicken companies during the period. We are optimistic that improving chicken fundamentals will drive the stock higher over the near term. Shares of **Boeing** suffered amid delays in the 737 MAX recertification process and pressure on air travel from coronavirus fears. While we continue to find Boeing shares attractive, we are cognizant of the uncertain near-term recovery path of global air travel post-pandemic and, therefore, largely kept our position flat in the name throughout the year.

Some of the portfolio's largest absolute contributors came from the information technology sector. Shares of **Qualcomm** rebounded from the first-quarter sell-off, rising considerably for the one-year period due to the company's strong position in 5G cellular technology. During the period, the company was able to resolve all its remaining licensing disputes, thereby stabilizing that business and leaving investors to focus on its earnings growth runway as 5G devices proliferate. Shares of **Microsoft** rose as the company reported robust growth within its Intelligent Cloud segment. Investors appeared to prioritize Microsoft's solid fundamentals, defensible business model, and attractive growth potential. We trimmed both positions throughout the year on strength.

Other notable contributors included **UPS**, which rose following its second-quarter earnings release featuring stronger-than-expected consumer demand. Though we trimmed our position following the earnings beat, we are optimistic that the company's efforts to address the profitability of its domestic package business and revamp its pricing program are paying off. Additionally, shares of leading global investment bank **Morgan Stanley** gained late in the period, driven by the company's resilient operating performance during the pandemic and positive market sentiment concerning the development and distribution of several COVID-19 vaccines. Investors also appeared pleased after the bank authorized a multibillion-dollar stock repurchase plan for 2021 following positive stress test results.

Compared with the benchmark, stock selection in health care detracted the most from relative performance. Conversely, security choices in information technology added the most value relative to the benchmark.

How is the fund positioned?

The Equity Income Portfolio seeks to buy well-established large-cap companies that have a strong record of paying dividends and appear to be undervalued by the market. The fund's holdings tend to be solid, higher-quality companies going through a period of controversy or stress, reflecting our dual focus on valuation and dividend yield. Each position is the product of careful stock picking based on the fundamental research generated by T. Rowe Price's team of equity analysts, as opposed to selection based on broader market or macroeconomic trends.

Our top sales during the year hailed from a wide variety of sectors. In communication services, we sold shares of **Verizon Communications**. In our view, the stock trades at an elevated relative valuation given the rise of competition in the 5G space and the possibility that Verizon Communications loses market share over time. We are also cognizant of the significant amount of capital investment needed to maintain its leading 5G network, thereby pressuring returns. In health care, we sold shares of **Johnson & Johnson**, which held up well during the early part of the coronavirus pandemic. At the time, we were concerned that hospitals would take longer than anticipated to pass peak coronavirus admissions and repurpose facilities back toward elective procedures, a thesis that came to fruition. Our selling tapered off as the year progressed and the thesis played out. In energy, we trimmed our stake in **TC Energy**, a utility-like infrastructure company that owns natural gas pipelines within the U.S. and was a strong performer during the year relative to other energy stocks. We used some of the sale proceeds to purchase utilities that, in our view, offer a similar growth profile at a more compelling relative valuation.

SECTOR DIVERSIFICATION

	Percent of Net Assets	
	6/30/20	12/31/20
Financials	19.5%	21.0%
Health Care	14.6	13.2
Industrials and Business Services	11.0	12.0
Information Technology	9.0	9.4
Utilities	9.3	8.9
Consumer Staples	8.1	7.3
Energy	8.4	6.5
Materials	5.2	6.3
Communication Services	5.4	5.4
Real Estate	4.1	4.5
Consumer Discretionary	2.8	4.1
Other and Reserves	2.6	1.4
Total	100%	100%

Historical weightings reflect current industry/sector classifications.

Notable purchases were also spread out among several areas of the market. Our largest equity purchase was **DuPont de Nemours**, to which we added heavily early in the year due to our view that the market was overly discounting the value of its specialized chemical assets. In the consumer discretionary sector, we initiated a stake in **Volkswagen** midway through the period and added to our position through the remainder of the year. We are optimistic about the German automaker's ability to make the transition to the new age of electric vehicles given its internal buy-in and heavy investment. In energy, we initiated a position in **EOG Resources** early in the year amid a sell-off in energy names. We took advantage of further weakness late in the year to bolster our position. In our view, the company is a pack leader in onshore discovery and execution. We like EOG Resources' best-in-class management team and technical sophistication, and we are optimistic that the company will benefit from an eventual stabilization in oil prices.

The portfolio's largest sector allocation is in financials, and we remain overweight relative to the benchmark. Although we decreased our absolute exposure to the sector during the year, our relative overweight increased due in part to the reconstitution of the benchmark index that took place during the period. The portfolio's second- and third-largest sector allocations to health care and industrials and business services, respectively, decreased in both absolute and relative terms during the year. Both sectors are now underweight relative to the benchmark. As the year progressed, we reallocated funds to certain sectors that we believe have been underappreciated by the market and thus offer compelling valuations.

What is portfolio management's outlook?

The market closely followed COVID-19 headlines during 2020, tied to both vaccine news and stimulus measures. Over the year, rapid stimulus measures pushed federal debt to record levels and deficits to levels not seen since World War II. We also saw divergence in the market, as investors bid up stocks poised to benefit in the short term from COVID-19 and left behind those seen to be negatively impacted by the pandemic. The market also showed resilience as consumer spending and business confidence rebounded quickly, and a vaccine was brought to market in under a year.

Given market performance in 2020, we are beginning to see signs of exuberance, with narrow leadership, high index concentration, and increased special purpose acquisition company and initial public offering activity. Considering this, we believe 2021 will present a stock pickers' market, where more tempered returns may remind investors of the importance of dividends. Additionally, in the event of an economic recovery, this may be an environment where we could see inflation, as consumers and businesses have capital to deploy while household net worth is at an all-time high. Ultimately, there may be a recoupling between the market and the economy, which might benefit areas of the market that were left behind over the course of 2020.

Heading into 2021, we remain focused on finding companies that have the financial strength to make it through a wide range of environments and that offer the best balance of quality and valuation appeal. By adhering to our investment approach and valuation discipline, we believe we will be able to take advantage of market opportunities and make attractive long-term investments for our clients.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

RISKS OF INVESTING IN THE FUND**DIVIDEND-PAYING STOCKS**

The fund's emphasis on dividend-paying stocks could cause the fund to underperform similar funds that invest without consideration of a company's track record of paying dividends. There is no guarantee that the issuers of the stocks held by the fund will declare dividends in the future or that, if dividends are declared, they will remain at their current levels or increase over time. For example, a sharp rise in interest rates or economic downturn could cause a company to unexpectedly reduce or eliminate its dividend. In addition, stocks of companies with a history of paying dividends may not benefit from a broad market advance to the same degree as the overall stock market.

STOCK INVESTING

The fund's share price can fall because of weakness in the overall stock markets, a particular industry, or specific holdings. Stock markets as a whole can be volatile and decline for many reasons, such as adverse local, political, regulatory, or economic developments; changes in investor psychology; or heavy institutional selling at the same time by major institutional investors in the market, such as mutual funds, pension funds, and banks. The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment. In addition, the advisor's assessment of companies whose stocks are held by the fund may prove incorrect, resulting in losses or poor performance, even in rising markets. In the event an issuer is liquidated or declares bankruptcy, the claims of owners of the issuer's bonds and preferred stock take precedence over the claims of those who own common stock. The value approach to investing carries the risk that the market will not recognize a security's intrinsic value for a long time or that a stock judged to be undervalued may actually be appropriately priced.

For a more thorough discussion of risks, please see the fund's prospectus.

BENCHMARK INFORMATION

Note: Frank Russell Company (Russell) is the source and owner of the Russell index data contained or reflected in these materials and all trademarks and copyrights related thereto. Russell® is a registered trademark of Russell. Russell is not responsible for the formatting or configuration of these materials or for any inaccuracy in T. Rowe Price Associates' presentation thereof.

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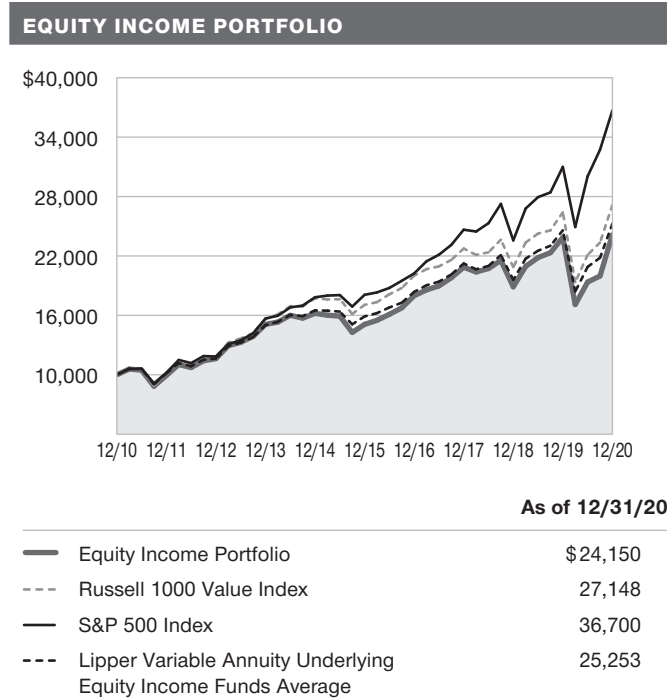
TWENTY-FIVE LARGEST HOLDINGS

	Percent of Net Assets 12/31/20
Southern Company	3.2%
Qualcomm	3.1
Wells Fargo	2.8
GE	2.6
DuPont de Nemours	2.5
Chubb	2.3
UPS	2.3
Morgan Stanley	2.1
MetLife	2.0
Total	1.9
American International Group	1.9
Weyerhaeuser	1.9
Comcast	1.8
AbbVie	1.8
Becton, Dickinson & Company	1.8
Philip Morris International	1.8
International Paper	1.7
Anthem	1.7
Tyson Foods	1.7
Medtronic	1.6
CF Industries	1.6
Cisco Systems	1.6
NiSource	1.6
Fifth Third Bancorp	1.5
L3Harris Technologies	1.5
Total	50.3%

Note: The information shown does not reflect any exchange-traded funds (ETFs), cash reserves, or collateral for securities lending that may be held in the portfolio.

GROWTH OF \$10,000

This chart shows the value of a hypothetical \$10,000 investment in the portfolio over the past 10 fiscal year periods or since inception (for portfolios lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from portfolio returns as well as mutual fund averages and indexes.



Note: Performance for the II Class will vary due to its differing fee structure. See the Average Annual Compound Total Return table.

AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 12/31/20	1 Year	5 Years	10 Years
Equity Income Portfolio	1.18%	9.86%	9.22%
Equity Income Portfolio-II	0.96	9.59	8.94

The fund's performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please contact a T. Rowe Price representative at 1-800-469-6587 (financial advisors, or customers who have an advisor, should call 1-800-638-8790). Returns do not reflect taxes that the shareholder may pay on distributions or the redemption of shares. Total returns do not include charges imposed by your insurance company's separate account. If these had been included, performance would have been lower.

This table shows how the portfolio would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. When assessing performance, investors should consider both short- and long-term returns.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Shares of the fund are currently offered only through certain insurance companies as an investment medium for both variable annuity contracts and variable life insurance policies. Please note that the fund has two classes of shares: the original share class and the II Class. II Class shares are sold through financial intermediaries, which are compensated for distribution, shareholder servicing, and/or certain administrative services under a Board-approved Rule 12b-1 plan.

Actual Expenses

The first line of the following table (Actual) provides information about actual account values and actual expenses. You may use the information on this line, together with your account balance, 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 on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other 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.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

FUND EXPENSE EXAMPLE (CONTINUED)

EQUITY INCOME PORTFOLIO			
	Beginning Account Value 7/1/20	Ending Account Value 12/31/20	Expenses Paid During Period* 7/1/20 to 12/31/20
Equity Income Portfolio			
Actual	\$1,000.00	\$1,247.20	\$4.18
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.42	3.76
Equity Income Portfolio-II			
Actual	1,000.00	1,245.80	5.59
Hypothetical (assumes 5% return before expenses)	1,000.00	1,020.16	5.03

* Expenses are equal to the fund's annualized expense ratio for the 6-month period, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184), and divided by the days in the year (366) to reflect the half-year period. The annualized expense ratio of the Equity Income Portfolio was 0.74%, and the Equity Income Portfolio-II was 0.99%.

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Equity Income Portfolio Class

	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE					
Beginning of period	\$ 27.13	\$ 23.36	\$ 29.27	\$ 28.34	\$ 26.81
Investment activities					
Net investment income ⁽¹⁾⁽²⁾	0.54	0.61	0.58	0.51	0.61
Net realized and unrealized gain / loss	(0.34)	5.49	(3.28)	4.00	4.50 ⁽³⁾
Total from investment activities	0.20	6.10	(2.70)	4.51	5.11
Distributions					
Net investment income	(0.55)	(0.62)	(0.59)	(0.53)	(0.67)
Net realized gain	(0.57)	(1.71)	(2.62)	(3.05)	(2.91)
Total distributions	(1.12)	(2.33)	(3.21)	(3.58)	(3.58)
NET ASSET VALUE					
End of period	\$ 26.21	\$ 27.13	\$ 23.36	\$ 29.27	\$ 28.34

Ratios/Supplemental Data

Total return⁽²⁾⁽⁴⁾	1.18%	26.40%	(9.50)%	16.02%	19.17%⁽³⁾
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates ⁽⁵⁾	0.85%	0.85%	0.80%	0.85%	0.85%
Net expenses after waivers/payments by Price Associates	0.74%	0.74%	0.80%	0.85%	0.85%
Net investment income	2.30%	2.31%	2.01%	1.73%	2.17%
Portfolio turnover rate	27.7%	19.5%	16.5%	19.9%	18.5%
Net assets, end of period (in millions)	\$ 430	\$ 477	\$ 428	\$ 541	\$ 551

⁽¹⁾ Per share amounts calculated using average shares outstanding method.⁽²⁾ See Note 6 for details of expense-related arrangements with Price Associates.⁽³⁾ Includes a voluntary payment from Price Associates, related to a loss of value on its investment in Dell as a result of the fund's ineligibility to pursue an appraisal action, representing \$0.13 per share based upon shares outstanding on the date of payment (6/6/16). The payment increased total return by 0.53%.⁽⁴⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.⁽⁵⁾ See Note 6. Prior to 12/31/19, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

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

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Equity Income Portfolio –
II Class

	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE					
Beginning of period	\$ 27.01	\$ 23.27	\$ 29.16	\$ 28.25	\$ 26.73
Investment activities					
Net investment income ⁽¹⁾⁽²⁾	0.48	0.55	0.51	0.44	0.52
Net realized and unrealized gain / loss	(0.33)	5.45	(3.26)	3.98	4.50 ⁽³⁾
Total from investment activities	0.15	6.00	(2.75)	4.42	5.02
Distributions					
Net investment income	(0.49)	(0.55)	(0.52)	(0.46)	(0.59)
Net realized gain	(0.57)	(1.71)	(2.62)	(3.05)	(2.91)
Total distributions	(1.06)	(2.26)	(3.14)	(3.51)	(3.50)
NET ASSET VALUE					
End of period	\$ 26.10	\$ 27.01	\$ 23.27	\$ 29.16	\$ 28.25

Ratios/Supplemental Data

Total return⁽²⁾⁽⁴⁾	0.96%	26.04%	(9.69)%	15.73%	18.85%⁽³⁾
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates ⁽⁵⁾	1.10%	1.10%	1.05%	1.10%	1.10%
Net expenses after waivers/payments by Price Associates	0.99%	0.99%	1.05%	1.10%	1.10%
Net investment income	2.05%	2.07%	1.77%	1.48%	1.89%
Portfolio turnover rate	27.7%	19.5%	16.5%	19.9%	18.5%
Net assets, end of period (in thousands)	\$ 236,856	\$ 238,540	\$ 183,383	\$ 208,017	\$ 205,562

⁽¹⁾ Per share amounts calculated using average shares outstanding method.⁽²⁾ See Note 6 for details of expense-related arrangements with Price Associates.⁽³⁾ Includes a voluntary payment from Price Associates, related to a loss of value on its investment in Dell as a result of the fund's ineligibility to pursue an appraisal action, representing \$0.13 per share based upon shares outstanding on the date of payment (6/6/16). The payment increased total return by 0.51%.⁽⁴⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.⁽⁵⁾ See Note 6. Prior to 12/31/19, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

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

T. ROWE PRICE EQUITY INCOME PORTFOLIO

December 31, 2020

PORTFOLIO OF INVESTMENTS†

Shares/Par \$ Value

(Cost and value in \$000s)

COMMON STOCKS 95.7%

COMMUNICATION SERVICES 5.4%

Diversified Telecommunication Services 0.6%

AT&T	69,107	1,987
Verizon Communications	38,921	2,287
		4,274

Entertainment 1.1%

Walt Disney (1)	39,016	7,069
		7,069

Media 3.7%

Comcast, Class A	229,672	12,035
Fox, Class B	156,933	4,532
News, Class A	459,200	8,252
		24,819
Total Communication Services		36,162

CONSUMER DISCRETIONARY 3.3%

Auto Components 0.1%

Magna International	12,400	878
		878

Automobiles 0.2%

General Motors	30,100	1,254
		1,254

Hotels, Restaurants & Leisure 1.2%

Las Vegas Sands	114,401	6,818
McDonald's	3,900	837
		7,655

Leisure Products 0.7%

Mattel (1)	281,040	4,904
		4,904

Multiline Retail 0.8%

Kohl's	122,630	4,990
		4,990

Shares/Par \$ Value

(Cost and value in \$000s)

Specialty Retail 0.3%

TJX	32,000	2,185
		2,185
Total Consumer Discretionary		21,866

CONSUMER STAPLES 7.3%

Beverages 0.6%

Coca-Cola	74,600	4,091
		4,091

Food & Staples Retailing 0.5%

Walmart	22,500	3,243
		3,243

Food Products 3.3%

Bunge	28,500	1,869
Conagra Brands	240,626	8,725
Mondelez International, Class A	10,600	620
Tyson Foods, Class A	171,289	11,038
		22,252

Household Products 1.0%

Kimberly-Clark	47,600	6,418
		6,418

Tobacco 1.9%

Altria Group	31,300	1,284
Philip Morris International	141,300	11,698
		12,982

Total Consumer Staples		48,986
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ENERGY 6.5%

Energy Equipment & Services 0.6%

Halliburton	233,400	4,411
		4,411

Oil, Gas & Consumable Fuels 5.9%

Chevron	15,810	1,335
ConocoPhillips	18,600	744
Enbridge	101,440	3,245
EOG Resources	102,300	5,102
Exxon Mobil	117,702	4,852

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Hess	24,271	1,281
Occidental Petroleum	52,400	907
Occidental Petroleum, Warrants, 8/3/27 (1)	15,162	103
Targa Resources	136,323	3,596
TC Energy	124,650	5,076
TOTAL (EUR)	290,590	12,543
TOTAL, ADR	9,900	415
		39,199
Total Energy		43,610

FINANCIALS 20.7%**Banks 6.6%**

Bank of America	73,075	2,215
Fifth Third Bancorp	356,641	9,832
JPMorgan Chase	49,458	6,285
PNC Financial Services Group	47,000	7,003
Wells Fargo	620,469	18,726
		44,061

Capital Markets 5.3%

Charles Schwab	49,300	2,615
Franklin Resources	82,440	2,060
Goldman Sachs Group	14,300	3,771
Morgan Stanley	201,818	13,831
Raymond James Financial	42,500	4,066
State Street	118,900	8,653
		34,996

Diversified Financial Services 0.8%

Equitable Holdings	208,274	5,330
		5,330

Insurance 8.0%

American International Group	333,796	12,637
Chubb	98,659	15,186
Loews	204,510	9,207
Marsh & McLennan	14,298	1,673
MetLife	283,800	13,324

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Willis Towers Watson	6,730	1,418
		53,445
Total Financials		137,832

HEALTH CARE 12.8%**Biotechnology 2.5%**

AbbVie	111,600	11,958
Biogen (1)	6,700	1,640
Gilead Sciences	48,500	2,826
		16,424

Health Care Equipment & Supplies 3.5%

Becton Dickinson & Company	35,708	8,935
Medtronic	93,411	10,942
Zimmer Biomet Holdings	21,500	3,313
		23,190

Health Care Providers & Services 2.9%

Anthem	34,752	11,159
CVS Health	124,517	8,504
		19,663

Pharmaceuticals 3.9%

GlaxoSmithKline (GBP)	105,051	1,922
GlaxoSmithKline, ADR	36,500	1,343
Johnson & Johnson	59,796	9,411
Merck	34,700	2,839
Pfizer	212,831	7,834
Sanofi (EUR)	26,164	2,536
		25,885
Total Health Care		85,162

INDUSTRIALS & BUSINESS SERVICES 12.0%**Aerospace & Defense 2.7%**

Boeing	39,042	8,357
L3Harris Technologies	51,507	9,736
		18,093

Air Freight & Logistics 2.3%

United Parcel Service, Class B	89,979	15,152
		15,152

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Airlines 0.3%		
Alaska Air Group	41,416	2,154
		2,154
Building Products 0.4%		
Johnson Controls International	60,220	2,806
		2,806
Commercial Services & Supplies 0.8%		
Stericycle (1)	72,902	5,054
		5,054
Electrical Equipment 0.3%		
Emerson Electric	25,300	2,033
		2,033
Industrial Conglomerates 2.6%		
General Electric	1,631,300	17,618
		17,618
Machinery 1.8%		
Caterpillar	21,500	3,914
Cummins	4,000	908
Flowserve	14,295	527
PACCAR	29,293	2,527
Snap-on	24,200	4,142
		12,018
Professional Services 0.8%		
Nielsen Holdings	238,638	4,980
		4,980
Total Industrials & Business Services		79,908
INFORMATION TECHNOLOGY 9.4%		
Communications Equipment 1.6%		
Cisco Systems	237,478	10,627
		10,627
Electronic Equipment, Instruments & Components 0.3%		
TE Connectivity	15,400	1,864
		1,864

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Semiconductors & Semiconductor Equipment 5.8%		
Applied Materials	102,626	8,857
NXP Semiconductors	15,700	2,496
QUALCOMM	134,612	20,507
Texas Instruments	43,242	7,097
		38,957
Software 1.7%		
Citrix Systems	18,200	2,368
Microsoft	40,791	9,073
		11,441
Total Information Technology		62,889
MATERIALS 6.3%		
Chemicals 4.6%		
Akzo Nobel (EUR)	13,529	1,452
CF Industries Holdings	275,462	10,663
DuPont de Nemours	231,423	16,457
PPG Industries	12,046	1,737
		30,309
Containers & Packaging 1.7%		
International Paper	228,153	11,344
		11,344
Total Materials		41,653
REAL ESTATE 4.5%		
Equity Real Estate Investment Trusts 4.5%		
Equity Residential, REIT	125,900	7,464
Rayonier, REIT	188,161	5,528
SL Green Realty, REIT	46,334	2,761
Welltower, REIT	23,000	1,486
Weyerhaeuser, REIT	373,406	12,520
Total Real Estate		29,759
UTILITIES 7.5%		
Electric Utilities 4.5%		
Duke Energy	10,300	943
Edison International	100,649	6,323

	Shares/Par	\$ Value
(Cost and value in \$000s)		
NextEra Energy	59,468	4,588
Southern Company	295,903	18,177
		30,031
Multi-Utilities 3.0%		
Ameren	51,500	4,020
NiSource	461,159	10,579
Sempra Energy	41,488	5,286
		19,885
Total Utilities		49,916
Total Common Stocks (Cost \$462,870)		637,743
PREFERRED STOCKS 0.8%		
CONSUMER DISCRETIONARY 0.8%		
Automobiles 0.8%		
Volkswagen (EUR) (2)	29,184	5,454
Total Consumer Discretionary		5,454
Total Preferred Stocks (Cost \$4,685)		5,454
CONVERTIBLE PREFERRED STOCKS 1.8%		
HEALTH CARE 0.4%		
Health Care Equipment & Supplies 0.4%		
Becton Dickinson & Company, Series B, 6.00%, 6/1/23	51,169	2,817
Total Health Care		2,817
UTILITIES 1.4%		
Electric Utilities 0.8%		
NextEra Energy, 5.279%, 3/1/23	43,435	2,208

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Southern Company, Series A, 6.75%, 8/1/22	57,257	2,948
		5,156
Multi-Utilities 0.6%		
Sempra Energy, Series A, 6.00%, 1/15/21	33,601	3,329
Sempra Energy, Series B, 6.75%, 7/15/21	9,767	1,001
		4,330
Total Utilities		9,486
Total Convertible Preferred Stocks (Cost \$11,866)		12,303
CONVERTIBLE BONDS 0.3%		
AXA, 7.25%, 5/15/21 (3)	1,605,000	1,854
Total Convertible Bonds (Cost \$1,615)		1,854
SHORT-TERM INVESTMENTS 0.7%		
MONEY MARKET FUNDS 0.7%		
T. Rowe Price Government Reserve Fund, 0.08% (4)(5)	4,925,095	4,925
Total Short-Term Investments (Cost \$4,925)		4,925
Total Investments in Securities		
99.3% of Net Assets (Cost \$485,961)	\$	662,279

‡ Shares/Par are denominated in U.S. dollars unless otherwise noted.

- (1) Non-income producing
 - (2) Preferred stocks are shares that carry certain preferential rights. The dividend rate may not be consistent each pay period and could be zero for a particular year.
 - (3) Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration only to qualified institutional buyers. Total value of such securities at period-end amounts to \$1,854 and represents 0.3% of net assets.
 - (4) Affiliated Companies
 - (5) Seven-day yield
- ADR American Depositary Receipts
- EUR Euro
- GBP British Pound
- REIT A domestic Real Estate Investment Trust whose distributions pass-through with original tax character to the shareholder

Affiliated Companies

(\$000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company that is under common ownership or control. The following securities were considered affiliated companies for all or some portion of the year ended December 31, 2020. Net realized gain (loss), investment income, change in net unrealized gain/loss, and purchase and sales cost reflect all activity for the period then ended.

Affiliate	Net Realized Gain (Loss)	Change in Net Unrealized Gain/Loss	Investment Income
T. Rowe Price Government Reserve Fund	\$ —	\$ —	\$ 37
T. Rowe Price Short-Term Fund	—	—	— ⁺⁺
Totals	\$ — [#]	\$ —	\$ 37 ⁺

Supplementary Investment Schedule

Affiliate	Value 12/31/19	Purchase Cost	Sales Cost	Value 12/31/20
T. Rowe Price Government Reserve Fund	\$ 12,180	□	□	\$ 4,925
T. Rowe Price Short-Term Fund	—	□	□	—
Total			\$	4,925 [^]

[#] Capital gain distributions from mutual funds represented \$0 of the net realized gain (loss).

⁺⁺ Excludes earnings on securities lending collateral, which are subject to rebates and fees as described in Note 4.

⁺ Investment income comprised \$37 of dividend income and \$0 of interest income.

□ Purchase and sale information not shown for cash management funds.

[^] The cost basis of investments in affiliated companies was \$4,925.

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

December 31, 2020

STATEMENT OF ASSETS AND LIABILITIES

(\$000s, except shares and per share amounts)

Assets

Investments in securities, at value (cost \$485,961)	\$ 662,279
Receivable for investment securities sold	5,331
Dividends and interest receivable	1,168
Receivable for shares sold	113
Other assets	54
Total assets	<u>668,945</u>

Liabilities

Payable for investment securities purchased	1,255
Investment management and administrative fees payable	542
Payable for shares redeemed	497
Total liabilities	<u>2,294</u>

NET ASSETS**\$ 666,651****Net Assets Consist of:**

Total distributable earnings (loss)	\$ 175,131
Paid-in capital applicable to 25,473,290 shares of \$0.0001 par value capital stock outstanding; 1,000,000,000 shares of the Corporation authorized	<u>491,520</u>

NET ASSETS**\$ 666,651****NET ASSET VALUE PER SHARE****Equity Income Portfolio Class**

(\$429,795,139 / 16,397,356 shares outstanding)

\$ 26.21**Equity Income Portfolio - II Class**

(\$236,855,554 / 9,075,934 shares outstanding)

\$ 26.10

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

STATEMENT OF OPERATIONS

(\$000s)

	Year Ended 12/31/20
Investment Income (Loss)	
Income	
Dividend	\$ 18,179
Interest	97
Securities lending	31
Total income	18,307
Expenses	
Investment management and administrative expense	5,122
Rule 12b-1 fees - Equity Income Portfolio - II Class	523
Waived / paid by Price Associates	(661)
Net expenses	4,984
Net investment income	13,323
Realized and Unrealized Gain / Loss	
Net realized gain (loss)	
Securities	12,809
Futures	254
Foreign currency transactions	5
Net realized gain	13,068
Change in net unrealized gain / loss	
Securities	(24,303)
Other assets and liabilities denominated in foreign currencies	2
Change in net unrealized gain / loss	(24,301)
Net realized and unrealized gain / loss	(11,233)
INCREASE IN NET ASSETS FROM OPERATIONS	\$ 2,090

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

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	Year Ended 12/31/20	12/31/19
Increase (Decrease) in Net Assets		
Operations		
Net investment income	\$ 13,323	\$ 14,970
Net realized gain	13,068	40,028
Change in net unrealized gain / loss	(24,301)	99,363
Increase in net assets from operations	2,090	154,361
Distributions to shareholders		
Net earnings		
Equity Income Portfolio Class	(18,282)	(38,663)
Equity Income Portfolio - II Class	(9,465)	(18,569)
Decrease in net assets from distributions	(27,747)	(57,232)
Capital share transactions*		
Shares sold		
Equity Income Portfolio Class	27,481	28,521
Equity Income Portfolio - II Class	37,145	36,940
Distributions reinvested		
Equity Income Portfolio Class	18,282	38,663
Equity Income Portfolio - II Class	9,465	18,569
Shares redeemed		
Equity Income Portfolio Class	(73,675)	(85,882)
Equity Income Portfolio - II Class	(42,083)	(30,043)
Increase (decrease) in net assets from capital share transactions	(23,385)	6,768
Net Assets		
Increase (decrease) during period	(49,042)	103,897
Beginning of period	715,693	611,796
End of period	\$ 666,651	\$ 715,693
 *Share information		
Shares sold		
Equity Income Portfolio Class	1,197	1,079
Equity Income Portfolio - II Class	1,655	1,392
Distributions reinvested		
Equity Income Portfolio Class	764	1,445
Equity Income Portfolio - II Class	395	696
Shares redeemed		
Equity Income Portfolio Class	(3,153)	(3,272)
Equity Income Portfolio - II Class	(1,805)	(1,138)
Increase (decrease) in shares outstanding	(947)	202

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

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price Equity Series, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The Equity Income Portfolio (the fund) is a diversified, open-end management investment company established by the corporation. The fund seeks a high level of dividend income and long-term capital growth primarily through investments in stocks. Shares of the fund currently are offered only to insurance company separate accounts established for the purpose of funding variable annuity contracts and variable life insurance policies. The fund has two classes of shares: the Equity Income Portfolio (Equity Income Portfolio Class) and the Equity Income Portfolio–II (Equity Income Portfolio–II Class). Equity Income Portfolio–II Class shares are sold through financial intermediaries, which it compensates for distribution, shareholder servicing, and/or certain administrative services under a Board-approved Rule 12b-1 plan. Each class has exclusive voting rights on matters related solely to that class; separate voting rights on matters that relate to both classes; and, in all other respects, the same rights and obligations as the other class.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Investment Transactions, Investment Income, and Distributions Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Premiums and discounts on debt securities are amortized for financial reporting purposes. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from mutual fund investments are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Distributions from REITs are initially recorded as dividend income and, to the extent such represent a return of capital or capital gain for tax purposes, are reclassified when such information becomes available. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared and paid by each class quarterly. A capital gain distribution may also be declared and paid by the fund annually.

Currency Translation Assets, including investments, and liabilities denominated in foreign currencies are translated into U.S. dollar values each day at the prevailing exchange rate, using the mean of the bid and asked prices of such currencies against U.S. dollars as quoted by a major bank. Purchases and sales of securities, income, and expenses are translated into U.S. dollars at the prevailing exchange rate on the respective date of such transaction. The effect of changes in foreign currency exchange rates on realized and unrealized security gains and losses is not bifurcated from the portion attributable to changes in market prices.

Class Accounting Investment income, investment management and administrative expense, and realized and unrealized gains and losses are allocated to the classes based upon the relative daily net assets of each class. Equity Income Portfolio–II Class pays Rule 12b-1 fees, in an amount not exceeding 0.25% of the class's average daily net assets.

Capital Transactions Each investor's interest in the net assets of the fund is represented by fund shares. The fund's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET; each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. Purchases and redemptions of fund shares are transacted at the next-computed NAV per share, after receipt of the transaction order by T. Rowe Price Associates, Inc., or its agents.

New Accounting Guidance In March 2020, the FASB issued Accounting Standards Update (ASU), ASU 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides optional, temporary relief with respect to the financial reporting of contracts subject to certain types of modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021. The guidance is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management expects that the adoption of the guidance will not have a material impact on the fund's financial statements.

Indemnification In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

NOTE 2 - VALUATION

Fair Value The fund's financial instruments are valued at the close of the NYSE and are reported at fair value, which GAAP defines 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. The T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures and approves all fair value determinations. Specifically, the Valuation Committee establishes policies and procedures used in valuing financial instruments, including those which cannot be valued in accordance with normal procedures or using pricing vendors; determines pricing techniques, sources, and persons eligible to effect fair value pricing actions; evaluates the services and performance of the pricing vendors; oversees the pricing process to ensure policies and procedures are being followed; and provides guidance on internal controls and valuation-related matters. The Valuation Committee provides periodic reporting to the Board on valuation matters.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs (including the fund's own assumptions in determining fair value)

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. When multiple inputs are used to derive fair value, the financial instrument is assigned to the level within the fair value hierarchy based on the lowest-level input that is significant to the fair value of the financial instrument. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

Valuation Techniques Equity securities, including exchange-traded funds, listed or regularly traded on a securities exchange or in the over-the-counter (OTC) market are valued at the last quoted sale price or, for certain markets, the official closing price at the time the valuations are made. OTC Bulletin Board securities are valued at the mean of the closing bid and asked prices. A security that is listed or traded on more than one exchange is valued at the quotation on the exchange determined to be the primary market for such security. Listed securities not traded on a particular day are valued at the mean of the closing bid and asked prices for domestic securities and the last quoted sale or closing price for international securities.

The last quoted prices of non-U.S. equity securities may be adjusted to reflect the fair value of such securities at the close of the NYSE, if the fund determines that developments between the close of a foreign market and the close of the NYSE will affect the value of some or all of its portfolio securities. Each business day, the fund uses information from outside pricing services to evaluate and, if appropriate, decide whether it is necessary to adjust quoted prices to reflect fair value by reviewing a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. The fund uses outside pricing services to provide it with quoted prices and information to evaluate or adjust those prices. The fund cannot predict how often it will use quoted prices and how often it will determine it necessary to adjust those prices to reflect fair value.

Debt securities generally are traded in the OTC market and are valued at prices furnished by independent pricing services or by broker dealers who make markets in such securities. When valuing securities, the independent pricing services consider the yield or price of bonds of comparable quality, coupon, maturity, and type, as well as prices quoted by dealers who make markets in such securities.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value.

Investments for which market quotations or market-based valuations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Committee, in accordance with fair valuation policies and procedures. The objective of any fair value pricing determination is to arrive at a price that could reasonably be expected from a current sale. Financial instruments fair valued by the Valuation Committee are primarily private placements, restricted securities, warrants, rights, and other securities that are not publicly traded. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Committee typically will afford greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Committee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; discounted cash flows; yield to maturity; or some combination. Fair value determinations are reviewed on a regular basis and updated as information becomes available, including actual purchase and sale transactions of the investment. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions, and fair value prices determined by the Valuation Committee could differ from those of other market participants.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on December 31, 2020 (for further detail by category, please refer to the accompanying Portfolio of Investments):

(\$000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Common Stocks	\$ 619,290	\$ 18,453	\$ —	\$ 637,743
Preferred Stocks	—	5,454	—	5,454
Convertible Preferred Stocks	—	12,303	—	12,303
Fixed Income Securities ¹	—	1,854	—	1,854
Short-Term Investments	4,925	—	—	4,925
Total	\$ 624,215	\$ 38,064	\$ —	\$ 662,279

¹Includes Convertible Bonds.

NOTE 3 - DERIVATIVE INSTRUMENTS

During the year ended December 31, 2020, the fund invested in derivative instruments. As defined by GAAP, a derivative is a financial instrument whose value is derived from an underlying security price, foreign exchange rate, interest rate, index of prices or rates, or other variable; it requires little or no initial investment and permits or requires net settlement. The fund invests in derivatives only if the expected risks and rewards are consistent with its investment objectives, policies, and overall risk profile, as described in its prospectus and Statement of Additional Information. The fund may use derivatives for a variety of purposes, such as seeking to hedge against declines in principal value, increase yield, invest in an asset with greater efficiency and at a lower cost than is possible through direct investment, to enhance return, or to adjust credit exposure. The risks associated with the use of derivatives are different from, and potentially much greater than, the risks associated with investing directly in the instruments on which the derivatives are based. The fund at all times maintains sufficient cash reserves, liquid assets, or other SEC-permitted asset types to cover its settlement obligations under open derivative contracts.

The fund values its derivatives at fair value and recognizes changes in fair value currently in its results of operations. Accordingly, the fund does not follow hedge accounting, even for derivatives employed as economic hedges. Generally, the fund accounts for its derivatives on a gross basis. It does not offset the fair value of derivative liabilities against the fair value of derivative assets on its financial statements, nor does it offset the fair value of derivative instruments against the right to reclaim or obligation to return collateral. As of December 31, 2020, the fund held no derivative instruments.

During the year ended December 31, 2020, the fund recognized \$254,000 of gain on equity derivatives, included in realized gain(loss) on Futures on the accompanying Statement of Operations.

Futures Contracts The fund is subject to equity price risk in the normal course of pursuing its investment objectives and uses futures contracts to help manage such risk. The fund may enter into futures contracts to manage exposure to interest rates, security prices, foreign currencies, and credit quality; as an efficient means of adjusting exposure to all or part of a target market; to enhance income; as a cash management tool; or to adjust credit exposure. A futures contract provides for the future sale by one party and purchase by another of a specified amount of a specific underlying financial instrument at an agreed-upon price, date, time, and place. The fund currently invests only in exchange-traded futures, which generally are standardized as to maturity date, underlying financial instrument, and other contract terms. Payments are made or received by the fund each day to settle daily fluctuations in the value of the contract (variation margin), which reflect changes in the value of the underlying financial instrument. Variation margin is recorded as unrealized gain or loss until the contract is closed. The value of a futures contract included in net assets is the amount of unsettled variation margin; net variation margin receivable is reflected as an asset and net variation margin payable is reflected as a liability on the accompanying Statement of Assets and Liabilities. Risks related to the use of futures contracts include possible illiquidity of the futures markets, contract prices that can be highly volatile and imperfectly correlated to movements in hedged security values and potential losses in excess of the fund's initial investment. During the year ended December 31, 2020, the volume of the fund's activity in futures, based on underlying notional amounts, was generally less than 1% of net assets.

NOTE 4 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Restricted Securities The fund invests in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

Securities Lending The fund may lend its securities to approved borrowers to earn additional income. Its securities lending activities are administered by a lending agent in accordance with a securities lending agreement. Security loans generally do not have stated maturity dates, and the fund may recall a security at any time. The fund receives collateral in the form of cash or U.S. government securities. Collateral is maintained over the life of the loan in an amount not less than the value of loaned securities; any additional collateral required due to changes in security values is delivered to the fund the next business day. Cash collateral is invested in accordance with investment guidelines approved by fund management. Additionally, the lending agent indemnifies the fund against losses resulting from borrower default. Although risk is mitigated by the collateral and indemnification, the fund could experience a delay in recovering its securities and a possible loss of income or value if the borrower fails to return the securities, collateral investments decline in value, and the lending agent fails to perform. Securities lending revenue consists of earnings on invested collateral and borrowing fees, net of any rebates to the borrower, compensation to the lending agent, and other administrative costs. In accordance with GAAP, investments made with cash collateral are reflected in the accompanying financial statements, but collateral received in the form of securities is not. At December 31, 2020, there were no securities on loan.

LIBOR The fund may invest in instruments that are tied to reference rates, including LIBOR. On July 27, 2017, the United Kingdom's Financial Conduct Authority announced a decision to transition away from LIBOR by the end of 2021. There remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement rate. Any potential effects of the transition away from LIBOR on the fund, or on certain instruments in which the fund invests, are not known. The transition process may result in, among other things, an increase in volatility or illiquidity of markets for instruments that currently rely on LIBOR, a reduction in the value of certain instruments held by the fund, or a reduction in the effectiveness of related fund transactions such as hedges. Any such effects could have an adverse impact on the fund's performance.

Other Purchases and sales of portfolio securities other than short-term securities aggregated \$164,667,000 and \$197,267,000, respectively, for the year ended December 31, 2020.

NOTE 5 - FEDERAL INCOME TAXES

Generally, no provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund's tax returns are subject to examination by the 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.

Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The permanent book/tax adjustments have no impact on results of operations or net assets and relate primarily to the recharacterization of distributions.

Distributions during the years ended December 31, 2020 and December 31, 2019, were characterized for tax purposes as follows:

(\$000s)

	December 31	
	2020	2019
Ordinary income	\$ 13,791	\$ 17,413
Long-term capital gain	13,956	39,819
Total distributions	<u>\$ 27,747</u>	<u>\$ 57,232</u>

At December 31, 2020, the tax-basis cost of investments and components of net assets were as follows:

(\$000s)

Cost of investments	<u>\$ 489,722</u>
Unrealized appreciation	\$ 193,137
Unrealized depreciation	(20,575)
Net unrealized appreciation (depreciation)	<u>172,562</u>
Undistributed long-term capital gain	2,569
Paid-in capital	<u>491,520</u>
Net assets	<u>\$ 666,651</u>

The difference between book-basis and tax-basis net unrealized appreciation (depreciation) is attributable to the deferral of losses from wash sales for tax purposes.

NOTE 6 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management and administrative agreement between the fund and Price Associates provides for an all-inclusive annual fee equal to 0.85% of the fund's average daily net assets. The fee is computed daily and paid monthly. The all-inclusive fee covers investment management services and ordinary, recurring operating expenses but does not cover interest expense; expenses related to borrowing, taxes, and brokerage; or nonrecurring expenses. Effective July 1, 2018, Price Associates has contractually agreed, at least through April 30, 2021 to waive a portion of its management fee in order to limit the fund's management fee to 0.74% of the fund's average daily net assets. Thereafter, this agreement automatically renews for one-year terms unless terminated or modified by the fund's Board. Fees waived and expenses paid under this agreement are not subject to reimbursement to Price Associates by the fund. The total management fees waived were \$661,000 and allocated ratably in the amounts of \$431,000 for the Equity Income Portfolio Class and \$230,000 for the Equity Income Portfolio – II Class, respectively, for the year ended December 31, 2020.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds, or the T. Rowe Price Short-Term Fund, a short-term bond fund (collectively, the Price Reserve Funds). The Price Reserve Funds are offered as short-term investment options to mutual funds, trusts, and other accounts managed by Price Associates or its affiliates and are not available for direct purchase by members of the public. Cash collateral from securities lending is invested in the T. Rowe Price Short-Term Fund. The Price Reserve Funds pay no investment management fees.

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the year ended December 31, 2020, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

Effective January 1, 2020, Price Associates has voluntarily agreed to reimburse the fund from its own resources on a monthly basis for the cost of investment research embedded in the cost of the fund's securities trades. This agreement may be rescinded at any time. For the year ended December 31, 2020, this reimbursement amounted to \$18,000, which is included in Net realized gain (loss) on Securities in the Statement of Operations.

NOTE 7 - LITIGATION

The fund is a named defendant in a lawsuit assigned to a litigation trustee, which seeks to recover all payments made to beneficial owners of common stock in connection with a leveraged buyout (LBO) of Tribune, including those made in connection with a 2007 tender offer in which the fund participated. A motion to dismiss was filed in this case and the district court granted the motion on January 9, 2017. In light of a Supreme Court decision in an unrelated case, the trustee has sought leave to amend the dismissed complaint. The district court denied that motion, and the trustee has appealed. The fund was named, also, as a defendant or included in a class of defendants in parallel litigation, which was dismissed by district court and affirmed on appeal by the Second Circuit Court of Appeals. This second action asserted state law constructive fraudulent transfer claims in an attempt to recover stock redemption payments made to shareholders at the time of the LBO. Both suits also seek prejudgment interest. The plaintiffs in this second action filed a petition for a writ of certiorari with the U.S. Supreme Court, which the Supreme Court has deferred. In light of the deferral, the Second District Court of Appeals issued an Order on May 15, 2018, recalling the mandate. On December 19, 2019, the appellate court reaffirmed its earlier decision in favor of the defendants. The plaintiffs filed a request for a rehearing, which was denied on February 6, 2020. On July 6, 2020, the plaintiffs filed a petition for a writ of certiorari with the Supreme Court. In order to avoid the potential for a lack of a quorum among the justices, which impacted their prior petition, the plaintiffs dropped a number of mutual fund defendants, including the fund. While this effectively ends the fund's involvement in the creditor claims, it has no impact on the claims in the action brought by the bankruptcy trustee. The complaints have not alleged misconduct by the fund, and management has vigorously defended the lawsuits. The value of the proceeds received by the fund is \$25,684,000 (3.85% of net assets), and the fund will incur legal expenses. Management continues to assess the case and has not yet determined the effect, if any, on the fund's net assets and results of operations.

NOTE 8 - OTHER MATTERS

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which a fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks. During 2020, a novel strain of coronavirus (COVID-19) resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

These types of events, such as the global pandemic caused by COVID-19, may also cause widespread fear and uncertainty, and result in, among other things: enhanced health screenings, quarantines, cancellations, and travel restrictions, including border closings; disruptions to business operations, supply chains and customer activity; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; reductions in consumer demand and economic output; and significant challenges in healthcare service preparation and delivery. The fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of the fund, its investment advisers, and the fund's service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operational systems, extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies.

Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets. The impact of this outbreak has adversely affected the economies of many nations and the entire global economy and may impact individual issuers and capital markets in ways that cannot be foreseen. Other infectious illness outbreaks that may arise in the future could have similar or other unforeseen effects. The duration of this outbreak or others and their effects cannot be determined with certainty.

Report of Independent Registered Public Accounting Firm**To the Board of Directors of T. Rowe Price Equity Series, Inc. and
Shareholders of T. Rowe Price Equity Income Portfolio****Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price Equity Income Portfolio (one of the portfolios constituting T. Rowe Price Equity Series, Inc., referred to hereafter as the "Fund") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodians, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Baltimore, Maryland
February 9, 2021

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

TAX INFORMATION (UNAUDITED) FOR THE TAX YEAR ENDED 12/31/20

We are providing this information as required by the Internal Revenue Code. The amounts shown may differ from those elsewhere in this report because of differences between tax and financial reporting requirements.

The fund's distributions to shareholders included:

- \$260,000 from short-term capital gains,
- \$14,036,000 from long-term capital gains, subject to long-term capital gains tax rate of not greater than 20%.

For taxable non-corporate shareholders, \$13,354,000 of the fund's income represents qualified dividend income subject to long-term capital gains tax rate of not greater than 20%.

For corporate shareholders, \$13,354,000 of the fund's income qualifies for the dividends-received deduction.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds and portfolios to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

<https://www.troweprice.com/corporate/en/utility/policies.html>

Scroll down to the section near the bottom of the page that says, "Proxy Voting Policies." Click on the Proxy Voting Policies link in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

Effective for reporting periods on or after March 1, 2019, a fund, except a money market fund, files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. Prior to March 1, 2019, a fund, including a money market fund, filed a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. A money market fund files detailed month-end portfolio holdings information on Form N-MFP with the SEC each month and posts a complete schedule of portfolio holdings on its website (troweprice.com) as of each month-end for the previous six months. A fund's Forms N-PORT, N-MFP, and N-Q are available electronically on the SEC's website (sec.gov).

ABOUT THE PORTFOLIO'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund's officers, who are listed in the final table. At least 75% of the Board's members are considered to be independent, i.e., not "interested persons" as defined in Section 2(a)(19) of the 1940 Act, of the Boards of T. Rowe Price Associates, Inc. (T. Rowe Price), and its affiliates; "interested" directors and officers are employees of T. Rowe Price. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

INDEPENDENT DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
Teresa Bryce Bazemore (1959) 2018 [190]	President, Radian Guaranty (2008 to 2017); Chief Executive Officer, Bazemore Consulting LLC (2018 to present); Director, Chimera Investment Corporation (2017 to present); Director, First Industrial Realty Trust (2020 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to 2019)
Ronald J. Daniels (1959) 2018 [190]	President, The Johns Hopkins University ^(b) and Professor, Political Science Department, The Johns Hopkins University (2009 to present); Director, Lyndhurst Holdings (2015 to present); Director, BridgeBio Pharma, Inc. (2020 to present)
Bruce W. Duncan (1951) 2013 [190]	President, Chief Executive Officer, and Director, CyrusOne, Inc. (2020 to present); Chief Executive Officer and Director (2009 to 2016), Chairman of the Board (2016 to 2020), and President (2009 to 2016), First Industrial Realty Trust, owner and operator of industrial properties; Chairman of the Board (2005 to 2016) and Director (1999 to 2016), Starwood Hotels & Resorts, a hotel and leisure company; Member, Investment Company Institute Board of Governors (2017 to 2019); Member, Independent Directors Council Governing Board (2017 to 2019); Senior Advisor, KKR (2018 to present); Director, Boston Properties (2016 to present); Director, Marriott International, Inc. (2016 to 2020)
Robert J. Gerrard, Jr. (1952) 2012 [190]	Advisory Board Member, Pipeline Crisis/Winning Strategies, a collaborative working to improve opportunities for young African Americans (1997 to 2016); Chairman of the Board, all funds (since July 2018)
Paul F. McBride (1956) 2013 [190]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)
Cecilia E. Rouse, Ph.D. (1963) 2012 [190]	Dean, Princeton School of Public and International Affairs (2012 to present); Professor and Researcher, Princeton University (1992 to present); Director of Education Studies Committee, MDRC, a nonprofit education and social policy research organization (2011 to 2020); Member, National Academy of Education (2010 to present); Board Member, National Bureau of Economic Research (2011 to present); Board Member of the Council on Foreign Relations (2018 to present); Board Member, The Pennington School (2017 to present); Board Member, the University of Rhode Island (2020 to present); Chair of Committee on the Status of Minority Groups in the Economic Profession of the American Economic Association (2012 to 2018); Vice President (2015 to 2016) and Board Member (2018 to present), American Economic Association
John G. Schreiber (1946) 2001 [190]	Owner/President, Centaur Capital Partners, Inc., a real estate investment company (1991 to present); Cofounder, Partner, and Cochairman of the Investment Committee, Blackstone Real Estate Advisors, L.P. (1992 to 2015); Director, Blackstone Mortgage Trust, a real estate finance company (2012 to 2016); Director and Chairman of the Board, Brixmor Property Group, Inc. (2013 to present); Director, Hilton Worldwide (2007 to present); Director, Hudson Pacific Properties (2014 to 2016); Director, Invitation Homes (2014 to 2017); Director, JMB Realty Corporation (1980 to present)

^(a)All information about the independent directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

^(b)William J. Stromberg, president and chief executive officer of T. Rowe Price Group, Inc., the parent company of the Price Funds' investment advisor, has served on the Board of Trustees of Johns Hopkins University since 2014.

INTERESTED DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
David Oestreicher (1967) 2018 [190]	General Counsel, Vice President, and Secretary, T. Rowe Price Group, Inc.; Chairman of the Board, Chief Executive Officer, President, and Secretary, T. Rowe Price Trust Company; Director, Vice President, and Secretary, T. Rowe Price, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.; Vice President and Secretary, T. Rowe Price International; Vice President, T. Rowe Price Hong Kong (Price Hong Kong), T. Rowe Price Japan (Price Japan), and T. Rowe Price Singapore (Price Singapore); Principal Executive Officer and Executive Vice President, all funds
Robert W. Sharps, CFA, CPA (1971) 2017 [190]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company; President, Equity Series

^(a)All information about the interested directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

OFFICERS

Name (Year of Birth) Position Held With Equity Series	Principal Occupation(s)
Ziad Bakri, M.D., CFA (1980) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Brian W.H. Berghuis, CFA (1958) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Darrell N. Braman (1963) Vice President	Vice President, Price Hong Kong, Price Singapore, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, T. Rowe Price Investment Services, Inc., and T. Rowe Price Services, Inc.
Alan S. Dupski, CPA (1982) Principal Financial Officer, Vice President, and Treasurer	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Alexa M. Gagliardi (1988) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Trust Company
John R. Gilner (1961) Chief Compliance Officer	Chief Compliance Officer and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Investment Services, Inc.
Gary J. Greb (1961) Vice President	Vice President, T. Rowe Price, T. Rowe Price International, and T. Rowe Price Trust Company
Paul J. Krug, CPA (1964) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John D. Linehan, CFA (1965) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Fran M. Pollack-Matz (1961) Vice President and Secretary	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Larry J. Puglia, CFA, CPA (1960) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

OFFICERS (CONTINUED)

Name (Year of Birth) Position Held With Equity Series	Principal Occupation(s)
Shannon H. Rauser (1987) Assistant Secretary	Assistant Vice President, T. Rowe Price
Charles M. Shriver, CFA (1967) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, and T. Rowe Price Trust Company
Toby M. Thompson, CAIA, CFA (1971) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, and T. Rowe Price Trust Company
Ken D. Uematsu, CFA (1966) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John F. Wakeman (1962) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Megan Warren (1968) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; formerly, Executive Director, JPMorgan Chase (to 2017)
Justin P. White (1981) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

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T.RowePrice®

100 East Pratt Street
Baltimore, MD 21202

Call 1-800-225-5132 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.



ANNUAL REPORT

December 31, 2020

T. ROWE PRICE

Moderate Allocation Portfolio

For more insights from T. Rowe Price investment professionals,
go to **[troweprice.com](https://www.troweprice.com)**.

HIGHLIGHTS

- The Moderate Allocation Portfolio returned 14.54% in the 12 months ended December 31, 2020, outperforming its combined index portfolio benchmark and its Lipper peer group average.
- Favorable tactical allocation decisions and security selection in the portfolio's underlying investments drove outperformance. The inclusion of diversifying sectors such as real assets equities and high yield bonds had a negative impact on relative results due to heightened volatility and risk aversion early in the year.
- We have a balanced view of the current market and are neutral between stocks and bonds. We tilted to an overweight to international stocks relative to U.S. stocks. After being overweight to growth stocks in the U.S. for much of the year, we shifted to an overweight to value stocks.
- We believe that the Moderate Allocation Portfolio's diversification and flexibility to identify investment opportunities across sectors and regions should allow us to generate solid long-term returns in a variety of market environments.

Go Paperless

Sign up for e-delivery of your statements, confirmations, and prospectuses or shareholder reports.



TO ENROLL:

If you invest directly with T. Rowe Price, go to **troweprice.com/paperless**.

If you invest through an investment advisor, a bank, or a brokerage firm, please contact that organization and ask if it can provide electronic documentation.

It's fast—receive your statements and confirmations faster than U.S. mail.

It's convenient—access your important account documents whenever you need them.

It's secure—we protect your online accounts using “True Identity” to confirm new accounts and make verification faster and more secure.

It can save you money—where applicable, T. Rowe Price passes on the cost savings to fund holders.*

Log in to your account at **troweprice.com** for more information.

*Certain mutual fund accounts that are assessed an annual account service fee can also save money by switching to e-delivery.

Dear Investor

Nearly all major stock and bond indexes produced positive results during 2020 as markets recovered from the steep sell-off that resulted from the spread of the coronavirus. Extraordinary fiscal and monetary support from global governments and central banks helped spur the rebound, although the pandemic continued to pose significant public health and economic challenges as the year came to an end.

In the U.S., the large-cap Dow Jones Industrial Average and S&P 500 Index reached record highs, as did the technology-heavy Nasdaq Composite Index—a result that few would have predicted in late March after the benchmarks tumbled more than 30% as governments instituted lockdowns to try to halt the spread of the virus. Large-cap information technology and internet-related firms helped lead the rebound as they benefited from the work-from-home environment and an acceleration in demand for online services.

Within the S&P 500, the technology and consumer discretionary sectors were the top performers, and communication services and materials stocks also outperformed. Despite a late rally, the energy sector trailed with significant losses due to a plunge in oil prices.

Most equity markets outside the U.S. also performed well. Emerging markets outpaced developed markets, and Asian shares delivered strong results as China and other countries in the region proved relatively successful in containing the coronavirus.

Growth stocks significantly outpaced their value counterparts for the full year; however, value shares rallied late in the period. Positive vaccine news in November raised hopes for a return to normalcy in 2021 and boosted sectors that had been beaten down in the initial phases of the pandemic.

Within the fixed income universe, corporate bonds delivered strong results as the market easily absorbed a torrent of new issuance. After falling to record lows in March, intermediate- and longer-term Treasury yields ticked higher later in the year but remained very low by historical standards, a factor that encouraged investors to seek out riskier securities with higher return potential.

While investors had reason to cheer the market's recovery, the global economic outlook remained unclear as the year came to an end. Most notable on the positive side was the start of vaccine distributions, which provided hope that the pandemic was in its final phase. In addition, Congress passed a

\$900 billion coronavirus relief package, supplementing the \$2.4 trillion allocated to address the crisis earlier in the year, and the Fed continued to pledge very accommodative monetary policies for the foreseeable future. Meanwhile, political uncertainty diminished with Joe Biden's victory in the U.S. presidential election and the completion of a Brexit trade deal between the UK and the European Union.

On the negative side, concerns about a resurgence in virus hospitalizations led to new lockdowns and business restrictions in many countries, which in turn appeared to threaten economic recoveries. In the U.S., after a strong recovery in the summer and fall, the pace of hiring slowed late in the year, and household spending declined in November for the first time since April.

It was a remarkable 12-month period in many ways, but as far as markets are concerned, I can recall no calendar year that so starkly displayed evidence of both fear and greed. Fear emerged during the March sell-off and again in April as oil futures briefly traded in negative territory. Greed surfaced later as some assets seemed to continue to rally without fundamental support. Bitcoin rocketed to a record high of \$29,000 by year-end, and the amount of money raised by initial public offerings also climbed to historic levels. While valuations are still attractive in some areas of the market, other sectors appear to have already priced in a strong rebound in earnings and are trading at elevated levels.

There are both risks and potential rewards in this environment, and we believe strong fundamental analysis and skilled active security selection will remain critical components of investment success.

Thank you for your continued confidence in T. Rowe Price.

Sincerely,



Robert Sharps
Group Chief Investment Officer

INVESTMENT OBJECTIVE

The fund seeks the highest total return over time consistent with an emphasis on both capital appreciation and income.

FUND COMMENTARY

How did the fund perform in the past 12 months?

The Moderate Allocation Portfolio returned 14.54% in the 12 months ended December 31, 2020. The portfolio outperformed its combined index portfolio benchmark and its peer group, the Lipper Variable Annuity Underlying Mixed-Asset Target Allocation Moderate Funds Average. *(Past performance cannot guarantee future results.)*

PERFORMANCE COMPARISON		
Periods Ended 12/31/20	Total Return	
	6 Months	12 Months
Moderate Allocation Portfolio	17.22%	14.54%
Morningstar Moderate Target Risk Index	15.54	12.82
Combined Index Portfolio*	15.07	13.70
Lipper Variable Annuity Underlying Mixed-Asset Target Allocation Moderate Funds Average	13.20	10.66

*For a definition of the combined index portfolio, please see the Benchmark Information section.

What factors influenced the fund's performance?

Overall, tactical decisions to overweight and underweight asset classes and security selection in the underlying investments contributed to relative returns. Our positioning between stocks and bonds added value over the full 12-month period (outlined in greater detail within the positioning section). We held a favorable overweight to U.S. growth stocks early in the period, which benefited from a market recovery that was heavily concentrated in growth-oriented sectors. This runup led to extended valuations for growth names and comparatively attractive valuations within value, and we shifted our exposure to a modest overweight to value. This well-timed overweight was beneficial late in the period, as the development and distribution of the first highly effective coronavirus vaccines and prospects for further fiscal stimulus in the U.S. spurred a pronounced rotation into more cyclically oriented sectors. We held a favorable overweight to emerging markets equities through the period, which bolstered performance. Emerging markets stocks outpaced developed markets equities, helped by improved risk appetite over the back half of the year. In certain regions, especially China, relatively more successful efforts in controlling the spread of the coronavirus limited the economic fallout of the pandemic.

Security selection in the portfolio's underlying investments positively contributed to relative performance. Strong selection among U.S. large-cap value stocks was a notable contributor, driven by holdings in the information technology and health care sectors. Effective security selection within the allocations to U.S. small-cap stocks and international developed markets equities also contributed. Conversely, unfavorable security selection within the U.S. large-cap growth equity allocation detracted from relative performance. Despite producing strong absolute returns, the allocation underperformed its style-specific benchmark, driven largely by portfolio underweights to certain high-performing names in the consumer discretionary and information technology sectors. Security selection within the U.S. investment-grade debt allocation also weighed.

The inclusion of diversifying sectors hurt relative returns. Exposure to real assets equities detracted from relative performance, although this negative impact was partly offset by a tactical underweight allocation to the sector. Real assets staged a rally late in the period, driven by optimism that progress in the fight against the coronavirus would lead to a return to more normalized economic activity. Most notably, names in energy were supportive for the sector, as oil prices surged late in the year. Despite positive returns, the sector continued to trail during a period of strong performance in global equities. The inclusion of emerging markets and high yield bonds as diversifying fixed income sectors also detracted from relative returns. This negative impact was largely concentrated in the first half of the year, when periods of heightened volatility led investors to shun riskier assets in favor of higher-quality government debt and cash. Improved risk appetite and historically low yields in the investment-grade space helped both high yield and emerging markets debt pare losses over the back half of the year. A weaker U.S. dollar was also supportive to emerging markets debt late in the period.

How is the fund positioned?

As of December 31, 2020, we were neutral to global stocks relative to bonds. Entering the year, we had increased our allocation to equities relative to bonds against a backdrop of stabilizing global growth and improving U.S.-China trade relations. As equity markets sold off in late February into March due to the coronavirus pandemic, we incrementally added to our exposure given attractive stock valuations. As a sharp equity rally left valuations extended, we pared our exposure to stocks. Economic indicators have continued to improve, albeit at a gradual pace, and ultralow interest rates are likely to be supportive of risk assets as growth and earnings outlooks improve and the markets rotate toward the "COVID-off" recovery. While another round of fiscal stimulus passed in the U.S., we believe markets have largely priced in this additional aid, and extended valuations leave markets vulnerable to negative shocks.

Stocks

On a regional basis, we tilted to an overweight to international stocks relative to U.S. stocks. International equities have offered relatively attractive valuations, and their more cyclical profile could be beneficial as the global growth outlook for 2021 has improved. Aggressive stimulus measures and stable Chinese demand could also provide tailwinds for international stocks, as well as the potential weakness in the U.S. dollar. While the eurozone economy has been under pressure from global health concerns and the slowdown in global trade, European markets should benefit in a cyclical recovery. Japanese equities continue to be backed by dovish central bank policy and a stronger yen.

In the U.S., we are overweight to growth stocks relative to value stocks. Value-oriented equities may benefit from the gradual recovery in economic growth and have attractive valuations versus growth-oriented equities, even accounting for the recent rotation into value. We maintained our overweight to small-cap stocks. Valuations for more cyclically oriented small-cap stocks have remained attractive and we believe are more likely to have greater returns as U.S. economic growth stabilizes over the long term. Larger companies may be better positioned to weather an economic downturn, but they are typically more vulnerable to global supply chain disruptions.

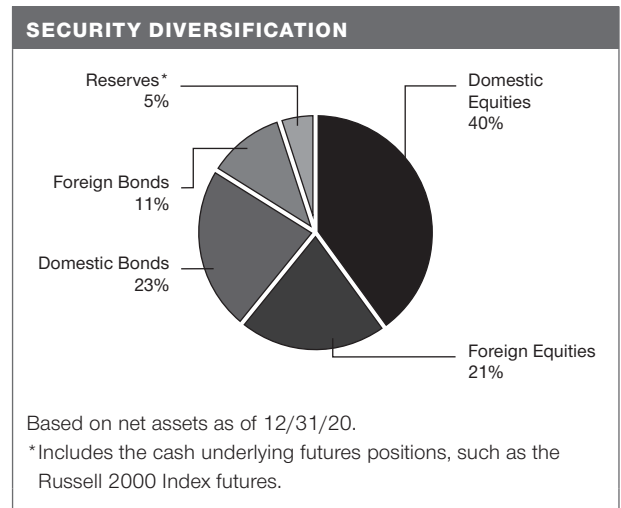
We remain underweight to inflation-sensitive real assets equities, as we balance expectations for modestly higher near-term inflation against structural headwinds the real estate and energy sectors face. Inflation expectations have risen on an improving outlook for growth and the perception that central banks will be more tolerant of inflation as they prioritize growth and employment. However, commercial real estate has remained under pressure from structural headwinds that have been exacerbated by the pandemic, including work-from-home and online retail trends. Despite the expected recovery in demand, the energy sector still likely faces longer-term supply/demand imbalances and a growing emphasis on renewable energy.

Bonds

Bond yields are broadly unattractive and anchored at low levels amid strong support from central banks, although idiosyncratic opportunities in certain credit sectors persist. We remain overweight to high yield bonds, as spreads and yields have remained attractive relative to investment grade. We believe that, in the current environment, high yield bonds could deliver equity-like returns with lower overall volatility.

We are underweight to nondollar bonds. Despite the potential for the U.S. dollar to weaken further, extended duration is a risk for nondollar bonds, from the perspective of unhedged U.S. investors, and low/negative yields remain un compelling versus U.S. yields. We trimmed our position in emerging markets bonds and are now neutral. While the sector offers

attractive yields compared with developed markets, relative valuations appear less attractive after the sector's recent rally. Many emerging markets economies are more constrained in their ability to use monetary and fiscal policy tools to support growth, which represents a headwind for emerging markets bonds, as do idiosyncratic risks and limited health care infrastructure amid the ongoing pandemic.



What is portfolio management's outlook?

Aggressive monetary and fiscal stimulus measures from central banks and governments around the world have helped fuel a rally that saw major indices bounce back from March lows to new highs late in the reporting period. Financial markets have become increasingly dependent on stimulus measures, and the recent additional round of fiscal stimulus has largely been priced into the markets. Meanwhile, the coronavirus pandemic has proven difficult to contain in the U.S., and a second wave in Europe has also sparked fears of further economic damage and led to new lockdown measures. Although the pandemic has continued to weigh on the global economy and has contributed to a period of sustained volatility for risk assets, investor sentiment has been bolstered by positive news about the development of vaccines and therapeutics.

Economic risks receded late in the period as the UK and the European Union reached a trade agreement, although the impacts of this new financial relationship remain to be seen. As 2020 closed, markets seemed to celebrate the prospects of a divided government—a Democratic-controlled House of Representatives with a Joe Biden presidency and Republicans maintaining control of the Senate. However, with Democratic challengers unseating Republican incumbents in both Georgia Senate runoff races and Vice President-elect Kamala Harris holding the deciding vote in an evenly split Senate, markets may begin to factor in the likelihood of more progressive policies on taxes and tighter regulation, which could result in a negative market shock.

The elevated levels of volatility and uncertainty in global markets underscore the value of our thoughtful strategic investing approach. Given the uncertain impact of positive and negative forces driving global financial markets, we believe the Moderate Allocation Portfolio's broad diversification and the strength of T. Rowe Price's fundamental research platform should help us perform in a variety of market environments over the long term.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

RISKS OF INVESTING IN STOCKS

As with all stock and bond mutual funds, the fund's share price can fall because of weakness in the stock or bond markets, a particular industry, or specific holdings. Stock markets can decline for many reasons, including adverse political or economic developments, changes in investor psychology, or heavy institutional selling. The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment. In addition, the investment manager's assessment of companies held in a fund may prove incorrect, resulting in losses or poor performance even in rising markets. A sizable cash or fixed income position may hinder the fund from participating fully in a strong, rapidly rising bull market. In addition, significant exposure to bonds increases the risk that the fund's share value could be hurt by rising interest rates or credit downgrades or defaults. Convertible securities are also exposed to price fluctuations of the company's stock.

RISKS OF INTERNATIONAL INVESTING

Funds that invest overseas generally carry more risk than funds that invest strictly in U.S. assets. Funds investing in a single country or in a limited geographic region tend to be riskier than more diversified funds. Risks can result from varying stages of economic and political development; differing regulatory environments, trading days, and accounting standards; and higher transaction costs of non-U.S. markets. Non-U.S. investments are also subject to currency risk, or a decline in the value of a foreign currency versus the U.S. dollar, which reduces the dollar value of securities denominated in that currency.

RISKS OF INVESTING IN BONDS

Funds that invest in bonds are subject to interest rate risk, the decline in bond prices that usually accompanies a rise in interest rates. Longer-maturity bonds typically decline more than those with shorter maturities. Funds that invest in bonds are also subject to credit risk, the chance that any fund holding could have its credit rating downgraded or that a bond issuer will default (fail to make timely payments of interest or principal), potentially reducing the fund's income level and share price.

BENCHMARK INFORMATION

Combined index portfolio: An unmanaged blended index benchmark composed of the following underlying indexes as of December 31, 2020: 60% stocks (42% Russell 3000 Index, 18% MSCI All Country World Index ex USA), 30% bonds (Bloomberg Barclays U.S. Aggregate Bond Index), and 10% money market securities (FTSE 3-Month Treasury Bill Index).

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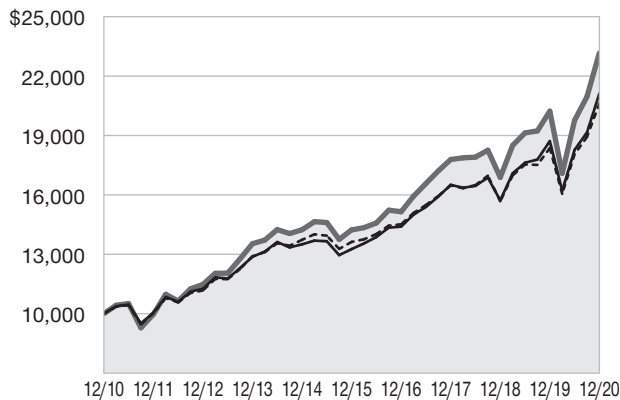
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GROWTH OF \$10,000

This chart shows the value of a hypothetical \$10,000 investment in the portfolio over the past 10 fiscal year periods or since inception (for portfolios lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from portfolio returns as well as mutual fund averages and indexes.

MODERATE ALLOCATION PORTFOLIO



As of 12/31/20

— Moderate Allocation Portfolio	\$23,169
- - - Morningstar Moderate Target Risk Index	21,115
— Linked Performance Benchmark*	21,115
- - - Lipper Variable Annuity Underlying Mixed-Asset Target Allocation Moderate Funds Average	20,611

*The linked performance benchmark reflects the performance of the Merrill Lynch-Wilshire Capital Market Index to 6/30/09 and the performance of the Morningstar Moderate Target Risk Index from 7/1/09 forward.

AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 12/31/20	1 Year	5 Years	10 Years
Moderate Allocation Portfolio	14.54%	10.24%	8.77%

The fund's performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please contact a T. Rowe Price representative at 1-800-469-6587 (financial advisors, or customers who have an advisor, should call 1-800-638-8790). Total returns do not include charges imposed by your insurance company's separate account. If these had been included, performance would have been lower.

This table shows how the portfolio would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. When assessing performance, investors should consider both short- and long-term returns.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Actual Expenses

The first line of the following table (Actual) provides information about actual account values and actual expenses. You may use the information on this line, together with your account balance, 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 on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other 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.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

MODERATE ALLOCATION PORTFOLIO

	Beginning Account Value 7/1/20	Ending Account Value 12/31/20	Expenses Paid During Period* 7/1/20 to 12/31/20
Actual	\$1,000.00	\$1,172.20	\$3.88
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.57	3.61

*Expenses are equal to the fund's annualized expense ratio for the 6-month period (0.71%), multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184), and divided by the days in the year (366) to reflect the half-year period.

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE					
Beginning of period	\$ 20.96	\$ 18.31	\$ 21.09	\$ 19.17	\$ 18.73
Investment activities					
Net investment income ^{(1) (2)}	0.28	0.38	0.39	0.30	0.31
Net realized and unrealized gain/loss	2.72	3.22	(1.44)	3.02	0.89
Total from investment activities	3.00	3.60	(1.05)	3.32	1.20
Distributions					
Net investment income	(0.29)	(0.40)	(0.38)	(0.32)	(0.32)
Net realized gain	(0.75)	(0.55)	(1.35)	(1.08)	(0.44)
Total distributions	(1.04)	(0.95)	(1.73)	(1.40)	(0.76)
NET ASSET VALUE					
End of period	\$ 22.92	\$ 20.96	\$ 18.31	\$ 21.09	\$ 19.17

Ratios/Supplemental Data

Total return^{(2) (3)}	14.54%	19.80%	(5.08)%	17.41%	6.45%
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates ⁽⁴⁾	0.90%	0.90%	0.88%	0.90%	0.90%
Net expenses after waivers/payments by Price Associates	0.72%	0.72%	0.76%	0.78%	0.77%
Net investment income	1.32%	1.88%	1.84%	1.43%	1.63%
Portfolio turnover rate	65.5%	91.2%	77.0%	61.8%	75.4%
Net assets, end of period (in thousands)	\$ 200,870	\$ 184,645	\$ 166,744	\$ 184,401	\$ 159,611

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 6 for details of expense-related arrangements with Price Associates.

⁽³⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

⁽⁴⁾ See Note 6. Prior to 12/31/19, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

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

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

December 31, 2020

PORTFOLIO OF INVESTMENTS†

Shares/Par \$ Value

(Cost and value in \$000s)

COMMON STOCKS 54.1%

COMMUNICATION SERVICES 5.8%

Diversified Telecommunication Services 0.3%

KT (KRW) (1)	2,960	65
Nippon Telegraph & Telephone (JPY)	17,600	452
Telecom Italia (EUR)	135,710	71
		588

Entertainment 1.1%

Cinemark Holdings	1,520	27
Live Nation Entertainment (1)	1,200	88
Netflix (1)	1,491	806
Roku (1)	40	13
Sea, ADR (1)	2,355	469
Spotify Technology (1)	675	212
Walt Disney (1)	3,252	589
Zynga, Class A (1)	5,759	57
		2,261

Interactive Media & Services 3.9%

Alphabet, Class A (1)	233	408
Alphabet, Class C (1)	1,965	3,443
Facebook, Class A (1)	7,941	2,169
Match Group (1)	2,370	358
NAVER (KRW)	474	128
Snap, Class A (1)	6,130	307
Tencent Holdings (HKD)	13,500	971
Z Holdings (JPY)	19,900	121
		7,905

Media 0.3%

Advantage Solutions (1)	1,197	16
Advantage Solutions, Warrants, 12/31/26 (1)	299	1
Cable One	52	116
Charter Communications, Class A (1)	10	6
CyberAgent (JPY)	2,500	172
National CineMedia	3,161	12

Shares/Par \$ Value

(Cost and value in \$000s)

Stroeer (EUR)	1,177	116
WPP (GBP)	15,510	168
		607

Wireless Telecommunication Services 0.2%

SoftBank Group (JPY)	1,900	147
T-Mobile US (1)	130	18
Vodafone Group, ADR	9,324	154
		319

Total Communication Services 11,680

CONSUMER DISCRETIONARY 7.0%

Auto Components 0.4%

Aptiv	216	28
Autoliv, SDR (SEK)	1,302	122
Denso (JPY)	1,900	113
Gentherm (1)	737	48
Magna International	3,604	255
Stanley Electric (JPY)	3,600	116
Stoneridge (1)	863	26
Sumitomo Rubber Industries (JPY) (2)	3,800	33
		741

Automobiles 0.6%

General Motors	13,119	546
Honda Motor (JPY)	2,400	68
Suzuki Motor (JPY)	2,800	130
Toyota Motor (JPY)	4,600	355
		1,099

Diversified Consumer Services 0.0%

Bright Horizons Family Solutions (1)	294	51
Strategic Education	82	8
Terminix Global Holdings (1)	530	27
		86

Hotels, Restaurants & Leisure 1.0%

Airbnb, Class A (1)	153	22
BJ's Restaurants (1)	1,187	46
Chipotle Mexican Grill (1)	158	219

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Chuy's Holdings (1)	1,431	38
Compass Group (GBP)	7,220	135
Denny's (1)	1,700	25
Domino's Pizza	67	26
Drive Shack (1)	3,170	8
Fiesta Restaurant Group (1)	2,329	27
Hilton Worldwide Holdings	2,526	281
Marriott International, Class A	1,345	177
McDonald's	1,366	293
MGM Resorts International	1,234	39
Papa John's International	959	81
Red Robin Gourmet Burgers (1)	905	17
Starbucks	280	30
Yum! Brands	5,576	605
		2,069
Household Durables 0.4%		
Cavco Industries (1)	126	22
Lennar, Class A	1,804	137
Panasonic (JPY)	11,400	133
Persimmon (GBP)	3,485	131
Skyline Champion (1)	1,155	36
Sony (JPY)	2,100	212
TRI Pointe Group (1)	1,603	28
		699
Internet & Direct Marketing Retail 3.0%		
A Place for Rover, Acquisition Date: 5/25/18, Cost \$-(1)(3)(4)	52	—
Alibaba Group Holding, ADR (1)	4,929	1,147
Amazon.com (1)	1,198	3,902
ASOS (GBP) (1)	3,411	222
Booking Holdings (1)	130	289
DoorDash, Class A (1)	124	18
Etsy (1)	408	73
JD.com, ADR (1)	300	26
Pinduoduo, ADR (1)	467	83
THG Holdings (GBP) (1)	3,340	36
Zalando (EUR) (1)	2,120	236
		6,032

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Multiline Retail 0.3%		
Dollar General	1,883	396
Dollar Tree (1)	64	7
Next (GBP) (1)	1,558	150
Ollie's Bargain Outlet Holdings (1)	984	81
		634
Specialty Retail 0.7%		
Burlington Stores (1)	462	121
Carvana (1)	440	105
Five Below (1)	152	27
Home Depot	743	197
Kingfisher (GBP) (1)	45,482	168
Michaels (1)	3,146	41
Monro	884	47
O'Reilly Automotive (1)	45	20
RH (1)	94	42
Ross Stores	2,609	321
TJX	5,093	348
Vroom (1)	1,344	55
		1,492
Textiles, Apparel & Luxury Goods 0.6%		
Allbirds, Acquisition Date: 10/10/18 - 12/21/18, Cost \$6(1)(3)(4)	580	7
EssilorLuxottica (EUR)	960	150
Kering (EUR)	195	141
Lululemon Athletica (1)	689	240
Moncler (EUR) (1)	2,994	184
NIKE, Class B	2,298	325
Samsonite International (HKD) (1)	34,800	62
Steven Madden	220	8
VF	440	37
		1,154
Total Consumer Discretionary		14,006

	Shares/Par	\$ Value
(Cost and value in \$000s)		
CONSUMER STAPLES 1.6%		
Beverages 0.3%		
Boston Beer, Class A (1)	181	180
Coca-Cola	2,800	153
Diageo (GBP)	5,283	209
Kirin Holdings (JPY) (2)	4,100	97
		639
Food & Staples Retailing 0.1%		
Seven & i Holdings (JPY)	5,800	206
Welcia Holdings (JPY)	1,600	60
		266
Food Products 0.7%		
Barry Callebaut (CHF)	52	124
Cal-Maine Foods (1)	1,174	44
Kraft Heinz	1,700	59
Nestle (CHF)	7,059	834
Nomad Foods (1)	1,492	38
Post Holdings (1)	611	62
Sanderson Farms	315	41
TreeHouse Foods (1)	1,325	56
Utz Brands	1,622	36
Utz Brands, Warrants, 11/26/23 (1)	452	5
Wilmar International (SGD)	46,000	162
		1,461
Personal Products 0.5%		
BellRing Brands, Class A (1)	600	15
L'Oreal (EUR)	756	288
Pola Orbis Holdings (JPY) (2)	1,600	33
Unilever (GBP)	9,324	559
		895
Tobacco 0.0%		
Philip Morris International	396	33
		33
Total Consumer Staples		3,294

	Shares/Par	\$ Value
(Cost and value in \$000s)		
ENERGY 0.7%		
Energy Equipment & Services 0.1%		
Cactus, Class A	600	16
Computer Modelling Group (CAD)	1,650	6
Dril-Quip (1)	421	12
Halliburton	2,866	54
Liberty Oilfield Services, Class A	3,400	35
NexTier Oilfield Solutions (1)	5,380	19
Worley (AUD)	14,958	132
		274
Oil, Gas & Consumable Fuels 0.6%		
Devon Energy	1,738	27
Diamondback Energy	1,014	49
EOG Resources	1,800	90
Equinor (NOK)	11,389	192
Magnolia Oil & Gas, Class A (1)	4,177	29
Royal Dutch Shell, Class B, ADR	2,689	90
Seven Generations Energy, Class A (CAD) (1)	2,820	15
TOTAL (EUR)	7,824	338
Venture Global LNG, Series B, Acquisition Date: 3/8/18, Cost \$3 (1)(3)(4)	1	6
Venture Global LNG, Series C, Acquisition Date: 5/25/17 - 3/8/18, Cost \$18 (1)(3)(4)	5	28
Williams	13,994	281
		1,145
Total Energy		1,419
FINANCIALS 7.2%		
Banks 2.4%		
Atlantic Capital Bancshares (1)	855	14
Australia & New Zealand Banking Group (AUD)	7,351	129
Bank of America	19,359	587
BankUnited	2,173	76
BNP Paribas (EUR) (1)	4,032	213
Bridge Bancorp	760	18

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Close Brothers Group (GBP)	2,071	39
Columbia Banking System	600	22
CrossFirst Bankshares (1)	1,379	15
DBS Group Holdings (SGD)	4,875	92
DNB (NOK) (1)	14,551	285
Dogwood State Bank, Non-Voting Shares, Acquisition Date: 5/6/19, Cost \$3 (1)(3)(4)	307	3
Dogwood State Bank, Voting Shares, Acquisition Date: 5/6/19, Cost \$2 (1)(3)(4)	151	1
Dogwood State Bank, Warrants, 5/6/24, Acquisition Date: 5/6/19, Cost \$- (1)(3)(4)	46	—
East West Bancorp	889	45
Equity Bancshares, Class A (1)	737	16
Erste Group Bank (EUR) (1)	3,017	92
FB Financial	1,225	43
First Bancshares	895	28
Grasshopper Bancorp, Acquisition Date: 10/12/18 - 5/2/19, Cost \$5 (1)(3)(4)	528	4
Grasshopper Bancorp, Warrants, 10/12/28, Acquisition Date: 10/12/18, Cost \$- (1)(3)(4)	104	—
Heritage Commerce	2,452	22
Heritage Financial	916	21
Home BancShares	2,560	50
ING Groep (EUR) (1)	18,625	173
Intesa Sanpaolo (EUR) (1)	37,172	88
Investors Bancorp	2,610	28
JPMorgan Chase	4,762	605
Live Oak Bancshares	1,033	49
Lloyds Banking Group (GBP) (1)	267,441	133
Mitsubishi UFJ Financial Group (JPY)	23,300	103
National Bank of Canada (CAD)	3,905	220
Origin Bancorp	989	27
Pacific Premier Bancorp	1,474	46
Pinnacle Financial Partners	1,146	74
PNC Financial Services Group	2,436	363
Popular	529	30

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Professional Holding, Class A (1)	339	5
Professional Holding, Series A, Acquisition Date: 8/28/20, Cost \$1 (1)(3)	134	2
Prosperity Bancshares	582	40
Sandy Spring Bancorp	800	26
Seacoast Banking (1)	1,680	49
Signature Bank	415	56
South State	802	58
Standard Chartered (GBP) (1)	7,794	49
Sumitomo Mitsui Trust Holdings (JPY)	2,635	81
Svenska Handelsbanken, A Shares (SEK) (1)	15,471	156
United Overseas Bank (SGD)	8,500	145
Webster Financial	877	37
Wells Fargo	9,282	280
Western Alliance Bancorp	1,232	74
		4,812
Capital Markets 1.8%		
Altimeter Growth (1)	1,275	16
Bluescape Opportunities Acquisition (1)	1,586	18
Cboe Global Markets	761	71
Charles Schwab	10,143	538
dMY Technology Group II, Class A (1)	390	7
Goldman Sachs Group	2,402	633
Intercontinental Exchange	1,178	136
Macquarie Group (AUD)	1,593	170
Morgan Stanley	26,059	1,786
MSCI	12	5
S&P Global	647	213
State Street	49	3
StepStone Group, Class A (1)	1,254	50
XP, Class A (1)	548	22
		3,668
Consumer Finance 0.2%		
Capital One Financial	2,239	221
Encore Capital Group (1)	940	37

	Shares/Par	\$ Value
(Cost and value in \$000s)		
PRA Group (1)	976	39
PROG Holdings	1,130	61
SLM	2,090	26
		384

Diversified Financial Services 0.4%

Challenger (AUD)	12,664	63
Element Fleet Management (CAD)	17,972	189
Equitable Holdings	17,271	442
Mitsubishi UFJ Lease & Finance (JPY)	13,200	63
		757

Insurance 2.3%

AIA Group (HKD)	11,600	141
American International Group	15,963	604
Assurant	512	70
Aviva (GBP)	20,535	91
AXA (EUR)	13,838	332
Axis Capital Holdings	1,102	55
Chubb	2,464	379
Direct Line Insurance Group (GBP)	12,023	52
Hanover Insurance Group	394	46
Hartford Financial Services Group	2,513	123
Marsh & McLennan	2,178	255
MetLife	7,346	345
Munich Re (EUR)	1,215	361
PICC Property & Casualty, H Shares (HKD)	126,000	95
Ping An Insurance Group, H Shares (HKD)	9,500	116
Principal Financial Group	1,143	57
Safety Insurance Group	292	23
Sampo, A Shares (EUR)	4,910	210
Selective Insurance Group	1,121	75
Selectquote (1)	706	15
State Auto Financial	541	10
Storebrand (NOK) (1)	19,361	145
Sun Life Financial (CAD)	5,144	229

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Tokio Marine Holdings (JPY)	4,400	227
Travelers	1,419	199
Willis Towers Watson	292	61
Zurich Insurance Group (CHF)	514	217
		4,533

Thriffs & Mortgage Finance 0.1%

Capitol Federal Financial	1,797	22
Essent Group	1,019	44
Housing Development Finance (INR)	3,565	124
Meridian Bancorp	2,047	31
PennyMac Financial Services	1,064	70
Sterling Bancorp	1,308	6
		297
Total Financials		14,451

HEALTH CARE 7.4%**Biotechnology 1.0%**

AbbVie	3,606	386
Abcam, ADR (1)	639	14
ACADIA Pharmaceuticals (1)	315	17
Acceleron Pharma (1)	377	48
Agiros Pharmaceuticals (1)	511	22
Allogene Therapeutics (1)	212	5
Apellis Pharmaceuticals (1)	180	10
Arcutis Biotherapeutics (1)	133	4
Argenx, ADR (1)	307	90
Ascendis Pharma, ADR (1)	905	151
Avidity Biosciences (1)	149	4
Blueprint Medicines (1)	460	52
CareDx (1)	185	13
Cerevel Therapeutics Holdings, Acquisition Date: 10/29/20, Cost \$3 (1)(3)	323	5
CRISPR Therapeutics (1)	95	15
CSL (AUD)	315	69
Enanta Pharmaceuticals (1)	50	2
Exact Sciences (1)	43	6

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Flame Biosciences, Acquisition Date: 9/28/20, Cost \$2 (1)(3)(4)	372	3
G1 Therapeutics (1)	308	6
Generation Bio (1)	631	18
Global Blood Therapeutics (1)	848	37
Homology Medicines (1)	459	5
IGM Biosciences (1)	236	21
Incyte (1)	1,391	121
Insmmed (1)	1,453	48
Intellia Therapeutics (1)	218	12
Iovance Biotherapeutics (1)	190	9
Kodiak Sciences (1)	642	94
Legend Biotech, ADR (1)	69	2
MeiraGTx Holdings (1)	260	4
Orchard Therapeutics, ADR (1)	663	3
PTC Therapeutics (1)	130	8
Radius Health (1)	2,250	40
RAPT Therapeutics (1)	310	6
Replimune Group (1)	140	5
Scholar Rock Holding (1)	808	39
Seagen (1)	236	41
TG Therapeutics (1)	83	4
Turning Point Therapeutics (1)	278	34
Ultragenyx Pharmaceutical (1)	646	90
Vertex Pharmaceuticals (1)	1,539	364
Xencor (1)	743	32
Zentalis Pharmaceuticals (1)	120	6
		1,965
Health Care Equipment & Supplies 2.2%		
Alcon (CHF) (1)	1,020	68
Align Technology (1)	50	27
AtriCure (1)	645	36
Avanos Medical (1)	987	45
Axonics Modulation Technologies (1)	228	11
Becton Dickinson & Company	202	51
Boston Scientific (1)	796	29
Danaher	5,648	1,255
Elekta, B Shares (SEK)	10,403	139

	Shares/Par	\$ Value
(Cost and value in \$000s)		
ICU Medical (1)	211	45
Inari Medical (1)	79	7
Intuitive Surgical (1)	643	526
iRhythm Technologies (1)	394	93
JAND, Class A, Acquisition Date: 3/9/18, Cost \$7 (1)(3)(4)	443	11
Koninklijke Philips (EUR) (1)	8,807	474
Medtronic	3,559	417
Mesa Laboratories	67	19
Nevro (1)	256	44
NuVasive (1)	463	26
Outset Medical (1)	87	5
Pax Labs, Class A, Acquisition Date: 4/18/19, Cost \$15 (1)(3)(4)	3,864	7
Penumbra (1)	128	22
Pulmonx (1)	80	6
Quidel (1)	558	100
Siemens Healthineers (EUR)	3,051	157
Stryker	3,216	788
Zimmer Biomet Holdings	296	46
		4,454

Health Care Providers & Services 1.6%

Alignment Healthcare Partners, Acquisition Date: 2/28/20, Cost \$9 (1)(3)(4)	764	9
Amedisys (1)	312	91
Anthem	1,526	490
Centene (1)	2,754	165
Cigna	2,002	417
Cross Country Healthcare (1)	1,215	11
Fresenius (EUR)	4,005	185
Hanger (1)	1,900	42
HCA Healthcare	4,061	668
Humana	206	84
Molina Healthcare (1)	568	121
Oak Street Health (1)	108	7
Pennant Group (1)	564	33
Providence Service (1)	330	46
U.S. Physical Therapy	367	44

	Shares/Par	\$ Value
(Cost and value in \$000s)		
UnitedHealth Group	2,688	943
		3,356
Health Care Technology 0.1%		
Accolade (1)	254	11
Certara (1)	174	6
HMS Holdings (1)	291	10
Veeva Systems, Class A (1)	337	92
		119
Life Sciences Tools & Services 0.8%		
908 Devices (1)	54	3
Adaptive Biotechnologies (1)	360	21
Agilent Technologies	2,518	298
Bruker	1,243	67
Evotec (EUR) (1)(2)	2,325	86
PPD (1)	720	25
Seer (1)	126	7
Seer, Class A, Acquisition Date: 12/8/20, Cost \$4 (1)(3)	222	12
Thermo Fisher Scientific	2,354	1,097
		1,616
Pharmaceuticals 1.7%		
Arvinas (1)	80	7
Astellas Pharma (JPY)	23,200	359
Atea Pharmaceuticals (1)	139	6
Bausch Health (1)	3,544	74
Bayer (EUR)	3,824	225
Cara Therapeutics (1)	420	6
Catalent (1)	1,052	110
Elanco Animal Health (1)	6,562	201
Eli Lilly	880	149
GlaxoSmithKline, ADR	4,822	178
Ipsen (EUR)	920	76
Johnson & Johnson	720	113
Novartis (CHF)	5,353	504
Novo Nordisk, B Shares (DKK)	1,410	98
Odonate Therapeutics (1)	60	1
Otsuka Holdings (JPY)	3,700	159

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Reata Pharmaceuticals, Class A (1)	223	28
Roche Holding (CHF)	1,330	463
Sanofi (EUR)	4,074	395
Takeda Pharmaceutical, ADR	3,756	68
TherapeuticsMD (1)	9,748	12
Tricida (1)	605	4
Zoetis	806	133
		3,369
Total Health Care		14,879

INDUSTRIALS & BUSINESS SERVICES 5.8%**Aerospace & Defense 0.3%**

Aerojet Rocketdyne Holdings (1)	269	14
BWX Technologies	528	32
Cubic	765	47
Meggitt (GBP) (1)	29,165	186
Parsons (1)	468	17
Safran (EUR) (1)	1,192	169
Teledyne Technologies (1)	252	99
		564

Air Freight & Logistics 0.3%

FedEx	1,138	296
United Parcel Service, Class B	1,734	292
		588

Airlines 0.0%

Aiclear Holdings, Class B, Acquisition Date: 3/6/18 - 12/13/18, Cost \$18 (1)(3)(4)(5)	118	34
United Airlines Holdings (1)	23	1
		35

Building Products 0.2%

Gibraltar Industries (1)	966	70
Johnson Controls International	4,962	231
PGT Innovations (1)	1,489	30
		331

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Commercial Services & Supplies 0.2%		
ADT	4,242	33
Brink's	841	61
Cintas	347	123
Heritage-Crystal Clean (1)	872	18
MSA Safety	244	36
Rentokil Initial (GBP) (1)	7,210	50
Tetra Tech	230	27
		348
Construction & Engineering 0.2%		
API Group (1)	1,036	19
API Group, Warrants, 9/7/27 (1)	2,406	5
Jacobs Engineering Group	2,714	296
		320
Electrical Equipment 0.7%		
ABB (CHF)	8,000	225
Array Technologies (1)	715	31
AZZ	1,291	61
Hubbell	70	11
Legrand (EUR)	1,356	121
Melrose Industries (GBP) (1)	84,230	205
Mitsubishi Electric (JPY)	17,000	257
Prysmian (EUR)	4,664	166
Rockwell Automation	810	203
Schneider Electric (EUR)	642	93
Thermon Group Holdings (1)	580	9
		1,382
Industrial Conglomerates 1.2%		
DCC (GBP)	1,414	100
General Electric	78,893	852
Honeywell International	3,001	638
Roper Technologies	715	308
Siemens (EUR)	3,753	541
		2,439
Machinery 1.2%		
Caterpillar	2,863	521
Chart Industries (1)	770	91

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Deere	2,309	621
Enerpac Tool Group	2,265	51
ESCO Technologies	700	72
Federal Signal	650	22
Fortive	1,149	81
Graco	786	57
Helios Technologies	714	38
Hydrofarm Holdings Group (1)	76	4
Ingersoll Rand (1)	1,681	77
John Bean Technologies	625	71
KION Group (EUR)	1,961	170
Knorr-Bremse (EUR)	909	124
Marel (ISK)	2,350	15
Meritor (1)	2,130	59
Mueller Water Products, Class A	2,993	37
Parker-Hannifin	90	25
SMC (JPY)	100	61
SPX (1)	829	45
Stanley Black & Decker	600	107
THK (JPY)	3,500	113
Toro	470	45
		2,507
Marine 0.0%		
Matson	1,129	65
		65
Professional Services 0.4%		
Clarivate (1)	3,583	107
CoStar Group (1)	232	214
Equifax	142	27
Recruit Holdings (JPY)	4,000	168
TechnoPro Holdings (JPY)	1,700	141
Teleperformance (EUR)	364	121
Upwork (1)	2,055	71
		849
Road & Rail 0.6%		
Canadian Pacific Railway	9	3
Central Japan Railway (JPY)	700	99
Kansas City Southern	16	3

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Knight-Swift Transportation Holdings	1,547	65
Landstar System	228	31
Norfolk Southern	2,415	574
Saia (1)	229	41
Union Pacific	1,883	392
		1,208
Trading Companies & Distributors 0.5%		
Ashtead Group (GBP)	3,249	153
Bunzl (GBP)	2,702	90
Mitsubishi (JPY)	4,200	104
Rush Enterprises, Class A	1,026	42
SiteOne Landscape Supply (1)	703	112
Sumitomo (JPY)	10,200	135
United Rentals (1)	1,230	285
		921
Total Industrials & Business Services		11,557
INFORMATION TECHNOLOGY 12.4%		
Communications Equipment 0.1%		
LM Ericsson, B Shares (SEK)	21,342	254
		254
Electronic Equipment, Instruments & Components 0.5%		
CTS	1,508	52
Hamamatsu Photonics (JPY)	2,500	143
Keysight Technologies (1)	922	122
Largan Precision (TWD)	1,000	114
Littelfuse	223	57
Murata Manufacturing (JPY)	2,500	226
National Instruments	1,417	62
Novanta (1)	725	86
Omron (JPY)	1,300	116
TE Connectivity	553	67
		1,045
IT Services 2.8%		
Amadeus IT Group, A Shares (EUR)	1,611	119

	Shares/Par	\$ Value
(Cost and value in \$000s)		
ANT International, Class C, Acquisition Date: 6/7/18, Cost \$61 (1)(3)(4)	10,922	95
Booz Allen Hamilton Holding	628	55
Euronet Worldwide (1)	346	50
Fidelity National Information Services	2,766	391
Fiserv (1)	4,795	546
Global Payments	3,443	742
Kratos Defense & Security Solutions (1)	1,809	50
Mastercard, Class A	2,276	812
MongoDB (1)	70	25
NTT Data (JPY)	15,000	205
PayPal Holdings (1)	4,115	964
ServiceTitan, Acquisition Date: 11/9/18, Cost \$- (1)(3)(4)	19	1
Shopify, Class A (1)	118	133
Snowflake, Class A (1)	46	13
Square, Class A (1)	150	33
StoneCo, Class A (1)	420	35
Twilio, Class A (1)	110	37
Visa, Class A	5,563	1,217
Wix.com (1)	582	145
		5,668
Semiconductors & Semiconductor Equipment 4.1%		
Advanced Micro Devices (1)	3,813	350
Analog Devices	2,030	300
Applied Materials	9,486	819
ASML Holding	465	227
ASML Holding (EUR)	705	341
Broadcom	1,945	852
Entegris	1,432	138
KLA	52	13
Lam Research	475	224
Lattice Semiconductor (1)	2,963	136
Marvell Technology Group	5,825	277
Maxim Integrated Products	1,205	107
Micron Technology (1)	4,918	370
MKS Instruments	110	16

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Monolithic Power Systems	184	67
NVIDIA	1,437	750
NXP Semiconductors	5,447	866
PDF Solutions (1)	1,128	24
QUALCOMM	7,711	1,175
Renesas Electronics (JPY) (1)	7,400	77
Semtech (1)	370	27
Taiwan Semiconductor Manufacturing (TWD)	30,219	572
Texas Instruments	2,032	333
Tokyo Electron (JPY)	500	187
		8,248
Software 3.7%		
Adobe (1)	20	10
Atlassian, Class A (1)	313	73
Ceridian HCM Holding (1)	874	93
Checkr, Acquisition Date: 6/29/18 - 12/2/19, Cost \$5 (1)(3)(4)	198	5
Citrix Systems	730	95
Coupa Software (1)	170	58
CrowdStrike Holdings, Class A (1)	110	23
Descartes Systems Group (1)	1,422	83
DocuSign (1)	496	110
Duck Creek Technologies (1)	125	6
Five9 (1)	609	106
Intuit	1,927	732
Manhattan Associates (1)	230	24
Microsoft	13,088	2,911
nCino (1)	86	6
nCino, Acquisition Date: 9/16/19, Cost \$9 (1)(3)	422	29
Paycom Software (1)	356	161
Proofpoint (1)	433	59
RingCentral, Class A (1)	50	19
salesforce.com (1)	3,247	723
SAP (EUR)	1,691	219
ServiceNow (1)	1,591	876
Splunk (1)	1,159	197

	Shares/Par	\$ Value
(Cost and value in \$000s)		
SS&C Technologies Holdings	1,242	90
Synopsys (1)	1,899	492
Toast, Acquisition Date: 9/14/18, Cost \$- (1)(3)(4)	1	—
Workday, Class A (1)	550	132
Workiva (1)	260	24
Zendesk (1)	137	20
Zoom Video Communications, Class A (1)	146	49
		7,425
Technology Hardware, Storage & Peripherals 1.2%		
Apple	14,105	1,872
Samsung Electronics (KRW)	6,593	492
		2,364
Total Information Technology		25,004
MATERIALS 3.0%		
Chemicals 1.3%		
Air Liquide (EUR)	1,538	252
Asahi Kasei (JPY)	15,100	155
BASF (EUR)	2,060	163
Covestro (EUR)	3,499	216
DuPont de Nemours	3,212	228
Element Solutions	4,921	87
Johnson Matthey (GBP)	4,698	156
Linde	2,625	692
Minerals Technologies	664	41
PPG Industries	2,186	315
Quaker Chemical	239	61
Sherwin-Williams	52	38
Tosoh (JPY)	1,300	20
Umicore (EUR)	2,597	125
		2,549
Containers & Packaging 0.8%		
Amcor, CDI (AUD)	9,003	107
Avery Dennison	474	74
International Paper	9,441	469
Packaging Corp. of America	4,405	607

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Westrock	9,854	429
		1,686
Metals & Mining 0.8%		
Alcoa (1)	1,767	41
Antofagasta (GBP)	10,527	206
BHP Group (AUD)	6,130	200
BHP Group (GBP)	7,193	190
Constellium (1)	3,757	52
ERO Copper (CAD) (1)	2,591	42
Franco-Nevada (CAD)	240	30
Freeport-McMoRan	7,900	205
Haynes International	740	18
IGO (AUD)	36,769	181
Northern Star Resources (AUD)	5,105	50
Rio Tinto (AUD)	895	79
South32 (AUD)	42,250	81
Southern Copper	1,852	121
		1,496
Paper & Forest Products 0.1%		
Domtar	795	25
Stora Enso, R Shares (EUR)	10,512	202
West Fraser Timber (CAD)	591	38
		265
Total Materials		5,996
REAL ESTATE 1.3%		
Equity Real Estate Investment Trusts 1.1%		
American Campus Communities, REIT	1,166	50
Community Healthcare Trust, REIT	310	15
CubeSmart, REIT	1,114	37
Digital Realty Trust, REIT	417	58
Douglas Emmett, REIT	280	8
EastGroup Properties, REIT	640	88
First Industrial Realty Trust, REIT	621	26
Flagship Communities, REIT	319	5
Great Portland Estates (GBP)	13,353	122
JBG SMITH Properties, REIT	1,598	50

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Prologis, REIT	9,344	931
PS Business Parks, REIT	477	63
Regency Centers, REIT	274	13
Rexford Industrial Realty, REIT	1,130	56
Scentre Group (AUD)	39,826	86
Sun Communities, REIT	437	66
Welltower, REIT	3,192	206
Weyerhaeuser, REIT	10,106	339
		2,219
Real Estate Management & Development 0.2%		
FirstService	833	114
Mitsui Fudosan (JPY)	9,600	201
		315
Total Real Estate		2,534
UTILITIES 1.9%		
Electric Utilities 0.8%		
Entergy	924	92
FirstEnergy	1,500	46
IDACORP	500	48
MGE Energy	272	19
NextEra Energy	13,716	1,058
Southern	5,320	327
		1,590
Gas Utilities 0.1%		
Beijing Enterprises Holdings (HKD)	15,500	51
Chesapeake Utilities	470	51
ONE Gas	856	66
Southwest Gas Holdings	1,027	62
		230
Independent Power & Renewable Electricity Producers 0.1%		
AES	5,759	135
Electric Power Development (JPY)	4,500	62
NextEra Energy Partners	534	36
		233

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Multi-Utilities 0.8%		
Ameren	3,278	256
Dominion Energy	582	44
Engie (EUR) (1)	16,015	245
National Grid (GBP)	14,617	173
NorthWestern	250	15
Public Service Enterprise Group	4,553	265
Sempra Energy	4,745	604
		1,602
Water Utilities 0.1%		
California Water Service Group	592	32
Middlesex Water	427	31
SJW Group	629	44
		107
Total Utilities		3,762
Total Miscellaneous Common Stocks 0.0% (6)		24
Total Common Stocks (Cost \$55,813)		108,606

CONVERTIBLE PREFERRED STOCKS 0.2%**CONSUMER DISCRETIONARY 0.1%****Automobiles 0.1%**

Rivian Automotive, Series D, Acquisition Date: 12/23/19, Cost \$13 (1)(3)(4)	1,224	19
Rivian Automotive, Series E, Acquisition Date: 7/10/20, Cost \$19 (1)(3)(4)	1,248	20
		39

Diversified Consumer Services 0.0%

1stdibs.com, Series D, Acquisition Date: 2/7/19, Cost \$6 (1)(3)(4)	1,120	9
		9

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Hotels, Restaurants & Leisure 0.0%		
Cava Group, Series E, Acquisition Date: 6/23/20, Cost \$15 (1)(3)(4)	648	15
		15
Internet & Direct Marketing Retail 0.0%		
A Place for Rover, Series G, Acquisition Date: 5/11/18, Cost \$6 (1)(3)(4)	741	3
Roofoods, Series F, Acquisition Date: 9/12/17, Cost \$19 (1)(3)(4)	53	34
Roofoods, Series G, Acquisition Date: 5/16/19, Cost \$1 (1)(3)(4)	2	2
		39
Textiles, Apparel & Luxury Goods 0.0%		
Allbirds, Series A, Acquisition Date: 10/10/18, Cost \$2 (1)(3)(4)	190	2
Allbirds, Series B, Acquisition Date: 10/10/18, Cost \$- (1)(3)(4)	35	—
Allbirds, Series C, Acquisition Date: 10/9/18, Cost \$4 (1)(3)(4)	320	4
Allbirds, Series Seed, Acquisition Date: 10/10/18, Cost \$1 (1)(3)(4)	100	1
		7
Total Consumer Discretionary		109
CONSUMER STAPLES 0.0%		
Food Products 0.0%		
Farmers Business Network, Series D, Acquisition Date: 11/3/17, Cost \$14 (1)(3)(4)	733	24
Total Consumer Staples		24

	Shares/Par	\$ Value
(Cost and value in \$000s)		
HEALTH CARE 0.0%		
Biotechnology 0.0%		
Caris Life Sciences, Series C, Acquisition Date: 8/14/20, Cost \$5 (1)(3)(4)	1,752	5
		5
Health Care Equipment & Supplies 0.0%		
JAND, Series E, Acquisition Date: 3/9/18, Cost \$9 (1)(3)(4)	546	14
JAND, Series F, Acquisition Date: 4/3/20, Cost \$13 (1)(3)(4)	649	16
		30
Health Care Providers & Services 0.0%		
Bright Health, Series E, Acquisition Date: 9/16/20, Cost \$13 (1)(3)(4)	655	13
Honor Technology, Series D, Acquisition Date: 10/16/20, Cost \$10 (1)(3)(4)	4,107	10
		23
Life Sciences Tools & Services 0.0%		
National Resilience, Series B, Acquisition Date: 10/23/20, Cost \$7 (1)(3)(4)	524	7
		7
Total Health Care		65

INDUSTRIALS & BUSINESS SERVICES 0.0%**Machinery 0.0%**

Xometry, Series A-2, Acquisition Date: 7/20/20, Cost \$1 (1)(3)(4)	94	1
Xometry, Series B, Acquisition Date: 7/20/20, Cost \$- (1)(3)(4)	32	—
Xometry, Series C, Acquisition Date: 7/20/20, Cost \$- (1)(3)(4)	33	—

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Xometry, Series D, Acquisition Date: 7/20/20, Cost \$- (1)(3)(4)	26	—
Xometry, Series E, Acquisition Date: 7/20/20, Cost \$3 (1)(3)(4)	189	3
Xometry, Series Seed-1, Acquisition Date: 9/4/20, Cost \$1 (1)(3)(4)	174	1
Xometry, Series Seed-2, Acquisition Date: 9/4/20, Cost \$1 (1)(3)(4)	76	1
		6
Road & Rail 0.0%		
Convoy, Series C, Acquisition Date: 9/14/18, Cost \$9 (1)(3)(4)	1,241	15
Convoy, Series D, Acquisition Date: 10/30/19, Cost \$10 (1)(3)(4)	764	9
		24
Total Industrials & Business Services		30

INFORMATION TECHNOLOGY 0.1%**IT Services 0.0%**

ServiceTitan, Series D, Acquisition Date: 11/9/18, Cost \$5 (1)(3)(4)	184	7
		7

Software 0.1%

Checkr, Series C, Acquisition Date: 4/10/18, Cost \$4 (1)(3)(4)	300	7
Checkr, Series D, Acquisition Date: 9/6/19, Cost \$12 (1)(3)(4)	400	10
FLEXE, Series C, Acquisition Date: 11/18/20, Cost \$5 (1)(3)(4)	445	5
Haul Hub, Series B, Acquisition Date: 2/14/20, Cost \$3 (1)(3)(4)	217	3
Nuro, Series C, Acquisition Date: 10/30/20, Cost \$8 (1)(3)(4)	594	8

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Plex Systems Holdings, Series B, Acquisition Date: 6/9/14, Cost \$5 (1)(3)(4)	2,270	8
Seismic Software, Series E, Acquisition Date: 12/13/18, Cost \$7 (1)(3)(4)	223	10
Seismic Software, Series F, Acquisition Date: 9/25/20, Cost \$1 (1)(3)(4)	17	1
Toast, Series B, Acquisition Date: 9/14/18, Cost \$-(1)(3)(4)	10	1
Toast, Series D, Acquisition Date: 6/27/18, Cost \$13 (1)(3)(4)	737	70
Toast, Series F, Acquisition Date: 2/14/20, Cost \$3 (1)(3)(4)	60	6
		129
Total Information Technology		136
UTILITIES 0.0%		
Electric Utilities 0.0%		
Southern, Series A, 6.75%, 8/1/22	838	43
Total Utilities		43
Total Convertible Preferred Stocks (Cost \$287)		407

CORPORATE BONDS 7.4%

AbbVie, 2.95%, 11/21/26	45,000	50
AbbVie, 3.20%, 11/21/29	45,000	51
AbbVie, 4.05%, 11/21/39	25,000	30
AbbVie, 4.70%, 5/14/45	55,000	72
AbbVie, 4.875%, 11/14/48	108,000	146
AerCap Ireland Capital, 4.875%, 1/16/24	175,000	191
AES Gener, VR, 6.35%, 10/7/79 (7)	200,000	220
Aflac, 3.60%, 4/1/30	15,000	18

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Alexandria Real Estate Equities, 1.875%, 2/1/33	20,000	20
Alexandria Real Estate Equities, 3.95%, 1/15/28	65,000	75
Alexandria Real Estate Equities, 4.70%, 7/1/30	15,000	19
American Airlines PTT, Series 2016-1, Class AA, 3.575%, 1/15/28	12,141	12
American Airlines PTT, Series 2017-2, Class AA, 3.35%, 10/15/29	17,294	17
American Airlines PTT, Series 2017-2, Class B, 3.70%, 10/15/25	11,956	10
American Campus Communities Operating Partnership, 2.85%, 2/1/30	78,000	81
American Campus Communities Operating Partnership, 3.30%, 7/15/26	20,000	22
American Campus Communities Operating Partnership, 3.625%, 11/15/27	45,000	49
Anheuser-Busch InBev Worldwide, 4.50%, 6/1/50	64,000	80
Anthem, 2.25%, 5/15/30	25,000	26
Apple, 1.65%, 5/11/30	40,000	41
APT Pipelines, 3.875%, 10/11/22 (8)	35,000	36
APT Pipelines, 4.25%, 7/15/27 (8)	180,000	205
Arrow Electronics, 4.00%, 4/1/25	50,000	55
AT&T, 2.25%, 2/1/32	75,000	76
AT&T, 2.30%, 6/1/27	40,000	43
AT&T, 2.55%, 12/1/33 (8)	35,000	36
AT&T, 2.75%, 6/1/31	90,000	96
AT&T, 3.50%, 9/15/53 (8)	75,000	75
AT&T, 3.80%, 12/1/57 (8)	90,000	94
AT&T, 4.30%, 2/15/30	27,000	32

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Ausgrid Finance, 3.85%, 5/1/23 (8)	30,000	32
Ausgrid Finance, 4.35%, 8/1/28 (8)	40,000	46
Avnet, 3.75%, 12/1/21	60,000	61
Avolon Holdings Funding, 3.95%, 7/1/24 (8)	90,000	95
Avolon Holdings Funding, 4.375%, 5/1/26 (8)	30,000	32
Baidu, 2.875%, 7/6/22	200,000	206
Bangkok Bank, VR, 3.733%, 9/25/34 (7)	200,000	209
Bank of America, 3.248%, 10/21/27	70,000	78
Bank of America, VR, 1.898%, 7/23/31 (7)	120,000	121
Bank of America, VR, 2.496%, 2/13/31 (7)	105,000	111
Bank of America, VR, 2.592%, 4/29/31 (7)	50,000	54
Bank of America, VR, 2.676%, 6/19/41 (7)	45,000	47
Bank of America, VR, 2.831%, 10/24/51 (7)	14,000	15
Bank of America, VR, 3.419%, 12/20/28 (7)	80,000	90
Bank of America, VR, 4.271%, 7/23/29 (7)	65,000	77
BAT Capital, 3.557%, 8/15/27	150,000	167
BAT International Finance, 1.668%, 3/25/26	15,000	15
BBVA Bancomer, VR, 5.125%, 1/18/33 (7)	200,000	216
Becton Dickinson & Company, 2.823%, 5/20/30	35,000	38
Becton Dickinson & Company, 2.894%, 6/6/22	17,000	18
Becton Dickinson & Company, 3.363%, 6/6/24	12,000	13
Becton Dickinson & Company, 3.70%, 6/6/27	149,000	171
Becton Dickinson & Company, 3.794%, 5/20/50	35,000	41
Becton Dickinson & Company, 4.669%, 6/6/47	35,000	46
Boardwalk Pipelines, 3.375%, 2/1/23	61,000	63

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Boardwalk Pipelines, 3.40%, 2/15/31	35,000	37
Boardwalk Pipelines, 4.45%, 7/15/27	10,000	11
Boardwalk Pipelines, 4.95%, 12/15/24	35,000	39
Boardwalk Pipelines, 5.95%, 6/1/26	10,000	12
Booking Holdings, 4.10%, 4/13/25	15,000	17
Booking Holdings, 4.50%, 4/13/27	15,000	18
Booking Holdings, 4.625%, 4/13/30	20,000	25
Boral Finance, 3.00%, 11/1/22 (8)	5,000	5
Boral Finance, 3.75%, 5/1/28 (8)	80,000	85
Boston Properties, 2.90%, 3/15/30	60,000	64
Boston Properties, 3.25%, 1/30/31	20,000	22
Boston Properties, 3.65%, 2/1/26	30,000	34
Braskem Finance, 7.375% (9)	100,000	103
Bristol-Myers Squibb, 5.25%, 8/15/43	30,000	42
Brixmor Operating Partnership, 3.65%, 6/15/24	31,000	34
Brixmor Operating Partnership, 3.85%, 2/1/25	60,000	66
Brixmor Operating Partnership, 3.90%, 3/15/27	35,000	39
Brixmor Operating Partnership, 4.05%, 7/1/30	25,000	29
Brixmor Operating Partnership, 4.125%, 5/15/29	20,000	23
Cameron LNG, 2.902%, 7/15/31 (8)	15,000	16
Cameron LNG, 3.302%, 1/15/35 (8)	20,000	22
Cameron LNG, 3.701%, 1/15/39 (8)	15,000	17
Capital One Financial, 3.75%, 3/9/27	75,000	85
Cardinal Health, 3.75%, 9/15/25	38,000	43
Cardinal Health, 4.50%, 11/15/44	10,000	12

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Cardinal Health, 4.90%, 9/15/45	10,000	12
Charter Communications Operating, 2.30%, 2/1/32	55,000	55
Charter Communications Operating, 2.80%, 4/1/31	90,000	95
Charter Communications Operating, 3.70%, 4/1/51	10,000	10
Charter Communications Operating, 3.75%, 2/15/28	30,000	34
Charter Communications Operating, 4.20%, 3/15/28	45,000	52
Charter Communications Operating, 4.80%, 3/1/50	15,000	18
Charter Communications Operating, 5.125%, 7/1/49	15,000	18
Charter Communications Operating, 5.75%, 4/1/48	5,000	7
Charter Communications Operating, 6.484%, 10/23/45	12,000	17
Cheniere Corpus Christi Holdings, 3.70%, 11/15/29	45,000	50
Cheniere Corpus Christi Holdings, 5.125%, 6/30/27	15,000	18
Cigna, 3.40%, 3/1/27	45,000	51
Cigna, 3.40%, 3/15/50	105,000	117
Cigna, 4.50%, 2/25/26	55,000	64
Cigna, 4.80%, 8/15/38	50,000	64
Citigroup, VR, 3.106%, 4/8/26 (7)	40,000	44
CNO Financial Group, 5.25%, 5/30/25	65,000	75
Comcast, 3.90%, 3/1/38	60,000	73
Country Garden Holdings, 5.125%, 1/17/25	200,000	210
Credit Suisse Group, VR, 2.593%, 9/11/25 (7)(8)	250,000	263
Crown Castle Towers, 3.663%, 5/15/25 (8)	85,000	91
CVS Health, 1.30%, 8/21/27	35,000	35
CVS Health, 1.875%, 2/28/31	35,000	35
CVS Health, 2.70%, 8/21/40	15,000	15

	Shares/Par	\$ Value
(Cost and value in \$000s)		
CVS Health, 3.625%, 4/1/27	10,000	11
CVS Health, 4.25%, 4/1/50	80,000	100
CVS Health, 5.05%, 3/25/48	35,000	47
CVS Health, 5.125%, 7/20/45	5,000	7
Diamondback Energy, 2.875%, 12/1/24	75,000	79
Diamondback Energy, 3.25%, 12/1/26	50,000	53
Discover Financial Services, 3.75%, 3/4/25	150,000	165
Ecolab, 4.80%, 3/24/30	5,000	6
Edison International, 4.95%, 4/15/25	5,000	6
Energy Transfer Operating, 2.90%, 5/15/25	15,000	16
Energy Transfer Operating, 4.20%, 4/15/27	55,000	60
Energy Transfer Operating, 4.50%, 4/15/24	10,000	11
Energy Transfer Operating, 4.95%, 6/15/28	20,000	23
Energy Transfer Operating, 5.00%, 5/15/50	10,000	11
Energy Transfer Operating, 5.25%, 4/15/29	25,000	29
Energy Transfer Operating, 5.50%, 6/1/27	10,000	12
Energy Transfer Operating, 5.875%, 1/15/24	40,000	45
Energy Transfer Operating, 6.00%, 6/15/48	35,000	41
Energy Transfer Operating, 6.25%, 4/15/49	17,000	21
Eni, Series X-R, 4.75%, 9/12/28 (8)	205,000	251
Equitable Holdings, 4.35%, 4/20/28	40,000	47
Essex Portfolio, 3.375%, 4/15/26	35,000	39
Fifth Third Bancorp, 2.55%, 5/5/27	15,000	16
General Electric, 5.55%, 1/5/26	40,000	48
General Motors Financial, 3.20%, 7/6/21	5,000	5

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
General Motors Financial, 4.00%, 10/6/26	20,000	22
General Motors Financial, 4.20%, 3/1/21	15,000	15
General Motors Financial, 4.30%, 7/13/25	45,000	50
General Motors Financial, 4.35%, 4/9/25	22,000	25
General Motors Financial, 5.10%, 1/17/24	20,000	22
GLP Capital, 3.35%, 9/1/24	10,000	11
Goldman Sachs Group, 3.50%, 11/16/26	140,000	157
Gray Oak Pipeline, 2.00%, 9/15/23 (8)	5,000	5
Gray Oak Pipeline, 2.60%, 10/15/25 (8)	15,000	15
Gray Oak Pipeline, 3.45%, 10/15/27 (8)	5,000	5
Hasbro, 3.00%, 11/19/24	35,000	38
Hasbro, 3.55%, 11/19/26	25,000	28
Healthcare Realty Trust, 2.05%, 3/15/31	15,000	15
Healthcare Realty Trust, 3.625%, 1/15/28	60,000	68
Healthpeak Properties, 2.875%, 1/15/31	5,000	5
Healthpeak Properties, 3.25%, 7/15/26	5,000	6
Healthpeak Properties, 3.50%, 7/15/29	10,000	11
Highwoods Realty, 3.05%, 2/15/30	65,000	68
Highwoods Realty, 4.125%, 3/15/28	41,000	46
HSBC Holdings, VR, 1.645%, 4/18/26 (7)	205,000	209
Humana, 4.875%, 4/1/30	42,000	53
Hyundai Capital America, 1.80%, 10/15/25 (8)	20,000	20
Hyundai Capital America, 2.375%, 2/10/23 (8)	45,000	46
Intercontinental Exchange, 1.85%, 9/15/32	100,000	101
Intercontinental Exchange, 2.10%, 6/15/30	60,000	62

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Intercontinental Exchange, 2.65%, 9/15/40	30,000	31
JPMorgan Chase, VR, 1.764%, 11/19/31 (7)	95,000	96
JPMorgan Chase, VR, 2.182%, 6/1/28 (7)	60,000	64
JPMorgan Chase, VR, 2.522%, 4/22/31 (7)	110,000	118
JPMorgan Chase, VR, 2.739%, 10/15/30 (7)	40,000	43
JPMorgan Chase, VR, 2.956%, 5/13/31 (7)	164,000	180
JPMorgan Chase, VR, 3.54%, 5/1/28 (7)	25,000	28
Keysight Technologies, 4.60%, 4/6/27	38,000	45
Kilroy Realty, 4.375%, 10/1/25	13,000	15
Kinder Morgan Energy Partners, 3.50%, 3/1/21	5,000	5
Las Vegas Sands, 3.20%, 8/8/24	13,000	14
Las Vegas Sands, 3.50%, 8/18/26	25,000	27
Marsh & McLennan, 2.25%, 11/15/30	15,000	16
Micron Technology, 4.185%, 2/15/27	40,000	47
Micron Technology, 4.64%, 2/6/24	85,000	94
Micron Technology, 5.327%, 2/6/29	22,000	27
Mileage Plus Holdings, 6.50%, 6/20/27 (8)	75,000	81
Morgan Stanley, 3.625%, 1/20/27	70,000	80
Morgan Stanley, 4.00%, 7/23/25	35,000	40
Morgan Stanley, VR, 1.794%, 2/13/32 (7)	46,000	46
Morgan Stanley, VR, 4.431%, 1/23/30 (7)	25,000	30
Netflix, 6.375%, 5/15/29	55,000	68
NiSource, 1.70%, 2/15/31	25,000	25
NiSource, 3.60%, 5/1/30	37,000	43
NRG Energy, 3.75%, 6/15/24 (8)	10,000	11

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
NRG Energy, 4.45%, 6/15/29 (8)	25,000	29
NXP, 2.70%, 5/1/25 (8)	5,000	5
NXP, 3.15%, 5/1/27 (8)	10,000	11
NXP, 5.35%, 3/1/26 (8)	20,000	24
Occidental Petroleum, 2.90%, 8/15/24	125,000	120
Oracle, 2.95%, 4/1/30	65,000	72
Oracle, 3.60%, 4/1/50	50,000	58
Pacific Gas & Electric, 2.10%, 8/1/27	45,000	46
Pacific Gas & Electric, 2.50%, 2/1/31	50,000	50
Pacific Gas & Electric, 3.30%, 8/1/40	40,000	40
Pacific Gas & Electric, 4.55%, 7/1/30	135,000	154
PerkinElmer, 3.30%, 9/15/29	19,000	21
Prologis, 1.25%, 10/15/30	15,000	15
Regency Centers, 3.70%, 6/15/30	35,000	40
Reynolds American, 4.45%, 6/12/25	55,000	63
Roper Technologies, 2.00%, 6/30/30	10,000	10
Ross Stores, 0.875%, 4/15/26	15,000	15
Ross Stores, 1.875%, 4/15/31	45,000	45
Sabine Pass Liquefaction, 4.50%, 5/15/30 (8)	10,000	12
Sabine Pass Liquefaction, 5.00%, 3/15/27	115,000	136
Sabine Pass Liquefaction, 5.875%, 6/30/26	40,000	48
SBA Tower Trust, 3.168%, 4/11/22 (8)	65,000	66
SBA Tower Trust, 3.448%, 3/15/23 (8)	30,000	32
SBA Tower Trust, 3.869%, 10/8/24 (8)	125,000	132
Sempra Energy, 3.40%, 2/1/28	80,000	91

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Simon Property Group, 2.65%, 7/15/30	40,000	42
Simon Property Group, 3.30%, 1/15/26	10,000	11
Simon Property Group, 3.375%, 10/1/24	105,000	114
Simon Property Group, 3.50%, 9/1/25	22,000	24
SMBC Aviation Capital Finance, 3.55%, 4/15/24 (8)	205,000	218
Southern, 3.25%, 7/1/26	60,000	67
Synchrony Financial, 4.25%, 8/15/24	12,000	13
Synchrony Financial, 4.375%, 3/19/24	10,000	11
T-Mobile USA, 2.05%, 2/15/28 (8)	25,000	26
T-Mobile USA, 3.75%, 4/15/27 (8)	110,000	125
T-Mobile USA, 3.875%, 4/15/30 (8)	50,000	58
TJX, 1.60%, 5/15/31	20,000	20
Transcontinental Gas Pipe Line, 3.25%, 5/15/30	10,000	11
Transcontinental Gas Pipe Line, 4.00%, 3/15/28	15,000	17
Transcontinental Gas Pipe Line, 4.60%, 3/15/48	30,000	36
Transurban Finance, 2.45%, 3/16/31 (8)	25,000	26
Transurban Finance, 3.375%, 3/22/27 (8)	15,000	16
Transurban Finance, 4.125%, 2/2/26 (8)	15,000	17
Trinity Acquisition, 4.40%, 3/15/26	65,000	76
U.S. Airways PTT, Series 2013-1, Class A, 3.95%, 11/15/25	20,320	19
United Airlines PTT, Series 2019-2, Class A, 2.90%, 5/1/28	14,719	14
United Airlines PTT, Series 2019-2, Class AA, 2.70%, 5/1/32	9,852	9
UnitedHealth Group, 2.00%, 5/15/30	15,000	16
UnitedHealth Group, 2.75%, 5/15/40	70,000	75

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
UnitedHealth Group, 2.90%, 5/15/50	30,000	33
UnitedHealth Group, 3.50%, 8/15/39	18,000	21
UnitedHealth Group, 4.45%, 12/15/48	5,000	7
Valero Energy, 2.15%, 9/15/27	15,000	15
Ventas Realty, 3.25%, 10/15/26	60,000	66
VEREIT Operating Partnership, 2.20%, 6/15/28	10,000	10
VEREIT Operating Partnership, 2.85%, 12/15/32	50,000	52
VEREIT Operating Partnership, 3.40%, 1/15/28	10,000	11
VEREIT Operating Partnership, 3.95%, 8/15/27	110,000	124
VEREIT Operating Partnership, 4.60%, 2/6/24	105,000	115
VEREIT Operating Partnership, 4.625%, 11/1/25	25,000	29
VEREIT Operating Partnership, 4.875%, 6/1/26	20,000	23
Verizon Communications, 2.65%, 11/20/40	77,000	78
Verizon Communications, 2.875%, 11/20/50	85,000	85
Verizon Communications, 2.987%, 10/30/56 (8)	95,000	95
Verizon Communications, 4.522%, 9/15/48	35,000	45
Verizon Communications, 4.75%, 11/1/41	15,000	20
Vistra Operations, 3.55%, 7/15/24 (8)	105,000	113
Vistra Operations, 3.70%, 1/30/27 (8)	95,000	105
Vistra Operations, 4.30%, 7/15/29 (8)	38,000	43
Vodafone Group, 4.375%, 5/30/28	54,000	65
Vodafone Group, 5.25%, 5/30/48	105,000	146
Volkswagen Group of America Finance, 3.20%, 9/26/26 (8)	205,000	226
Wells Fargo, 4.30%, 7/22/27	35,000	41
Wells Fargo, VR, 2.188%, 4/30/26 (7)	30,000	32

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Wells Fargo, VR, 2.393%, 6/2/28 (7)	115,000	122
Wells Fargo, VR, 2.572%, 2/11/31 (7)	90,000	95
Wells Fargo, VR, 2.879%, 10/30/30 (7)	100,000	109
Wells Fargo, VR, 3.068%, 4/30/41 (7)	90,000	97
Westlake Chemical, 1.625%, 7/17/29 (EUR)	100,000	127
Williams, 3.90%, 1/15/25	90,000	100
Williams, 4.00%, 9/15/25	20,000	23
Williams, 4.30%, 3/4/24	5,000	6
Williams, 5.10%, 9/15/45	45,000	56
Woodside Finance, 3.65%, 3/5/25 (8)	45,000	49
Woodside Finance, 3.70%, 9/15/26 (8)	40,000	44
Woodside Finance, 3.70%, 3/15/28 (8)	71,000	76
WPP Finance 2010, 3.625%, 9/7/22	40,000	42
Total Corporate Bonds (Cost \$13,849)		14,931

ASSET-BACKED SECURITIES 1.6%

AmeriCredit Automobile Receivables Trust Series 2016-4, Class D, 2.74%, 12/8/22	90,000	91
AmeriCredit Automobile Receivables Trust Series 2018-2, Class D, 4.01%, 7/18/24	20,000	21
AmeriCredit Automobile Receivables Trust Series 2018-3, Class D, 4.04%, 11/18/24	40,000	43
AmeriCredit Automobile Receivables Trust Series 2019-1, Class B, 3.13%, 2/18/25	20,000	21
AmeriCredit Automobile Receivables Trust Series 2020-3, Class D, 1.49%, 9/18/26	20,000	20

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Applebee's Funding		
Series 2019-1A, Class A2I, 4.194%, 6/7/49 (8)	119,700	118
Avis Budget Rental Car Funding		
AESOP		
Series 2016-1A, Class A, 2.99%, 6/20/22 (8)	100,000	101
BlueMountain		
Series 2015-2A, Class A1R, CLO, FRN		
3M USD LIBOR + 0.93%, 1.148%, 7/18/27 (8)	232,017	231
CBAM		
Series 2019-9A, Class A, CLO, FRN		
3M USD LIBOR + 1.28%, 1.517%, 2/12/30 (8)	250,000	250
CIFC Funding		
Series 2020-1A, Class A1, CLO, FRN		
3M USD LIBOR + 1.70%, 1.937%, 7/15/32 (8)	250,000	251
CNH Equipment Trust		
Series 2017-C, Class B, 2.54%, 5/15/25	5,000	5
Driven Brands Funding		
Series 2020-2A, Class A2, 3.237%, 1/20/51 (8)	65,000	66
Dryden		
Series 2020-86A, Class A, CLO, FRN		
3M USD LIBOR + 1.65%, 1.884%, 7/17/30 (8)	250,000	251
Elara HGV Timeshare Issuer		
Series 2014-A, Class A, 2.53%, 2/25/27 (8)	6,107	6
Ford Credit Auto Owner Trust		
Series 2018-1, Class C, 3.49%, 7/15/31 (8)	100,000	108
Ford Credit Auto Owner Trust		
Series 2019-1, Class A, 3.52%, 7/15/30 (8)	115,000	125
GM Financial Automobile Leasing Trust		
Series 2020-3, Class C, 1.11%, 10/21/24	25,000	25
Hardee's Funding		
Series 2018-1A, Class A2II, 4.959%, 6/20/48 (8)	53,763	57
Hyundai Auto Receivables Trust		
Series 2016-B, Class D, 2.68%, 9/15/23	35,000	35

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Hyundai Auto Receivables Trust		
Series 2020-C, Class C, 1.08%, 12/15/27	35,000	35
Jack in the Box Funding		
Series 2019-1A, Class A2I, 3.982%, 8/25/49 (8)	64,513	66
MMAF Equipment Finance		
Series 2018-A, Class A4, 3.39%, 1/10/25 (8)	100,000	104
MVW		
Series 2020-1A, Class A, 1.74%, 10/20/37 (8)	90,801	93
MVW Owner Trust		
Series 2014-1A, Class A, 2.25%, 9/22/31 (8)	11,946	12
Navient Private Education Refi Loan Trust		
Series 2020-GA, Class A, 1.17%, 9/16/69 (8)	83,181	84
Santander Retail Auto Lease Trust		
Series 2019-B, Class C, 2.77%, 8/21/23 (8)	30,000	31
Santander Retail Auto Lease Trust		
Series 2019-B, Class D, 3.31%, 6/20/24 (8)	100,000	103
Sierra Timeshare Receivables Funding		
Series 2019-1A, Class A, 3.20%, 1/20/36 (8)	42,087	44
SLM Student Loan Trust		
Series 2008-9, Class A, FRN		
3M USD LIBOR + 1.50%, 1.715%, 4/25/23	21,632	22
SMB Private Education Loan Trust		
Series 2015-B, Class A2A, 2.98%, 7/15/27 (8)	24,736	25
SMB Private Education Loan Trust		
Series 2018-A, Class A2A, 3.50%, 2/15/36 (8)	94,501	100
SMB Private Education Loan Trust		
Series 2018-C, Class A2A, 3.63%, 11/15/35 (8)	86,518	94
Southwick Park		
Series 2019-4A, Class A1, CLO, FRN		
3M USD LIBOR + 1.30%, 1.518%, 7/20/32 (8)	250,000	250
Symphony XXIII		
Series 2020-23A, Class A, CLO, FRN		
3M USD LIBOR + 1.32%, 1.487%, 1/15/34 (8)	250,000	250

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Taco Bell Funding Series 2018-1A, Class A2I, 4.318%, 11/25/48 (8)	73,500	74
Total Asset-Backed Securities (Cost \$3,159)		3,212

**NON-U.S. GOVERNMENT MORTGAGE-BACKED
SECURITIES 3.0%**

Angel Oak Mortgage Trust Series 2019-3, Class A3, CMO, ARM 3.238%, 5/25/59 (8)	33,687	34
Angel Oak Mortgage Trust Series 2020-3, Class A1, CMO, ARM 1.691%, 4/25/65 (8)	46,214	47
Angel Oak Mortgage Trust Series 2020-5, Class A3, CMO, ARM 2.041%, 5/25/65 (8)	43,626	44
Angel Oak Mortgage Trust Series 2020-6, Class A3, CMO, ARM 1.775%, 5/25/65 (8)	61,011	61
Ashford Hospitality Trust Series 2018-ASHF, Class B, ARM 1M USD LIBOR + 1.25%, 1.409%, 4/15/35 (8)	45,000	43
BANK Series 2019-BN21, Class C, ARM 3.517%, 10/17/52	25,000	25
BANK Series 2019-BN22, Class D, 2.50%, 11/15/62 (8)	55,000	49
BANK Series 2020-BN25, Class AS, 2.841%, 1/15/63	25,000	27
Barclays Commercial Mortgage Trust Series 2019-BWAY, Class D, ARM 1M USD LIBOR + 2.16%, 2.319%, 11/15/34 (8)	25,000	24
Bayview Mortgage Fund IvC Trust Series 2017-RT3, Class A, CMO, ARM 3.50%, 1/28/58 (8)	44,871	45
Bayview Opportunity Master Fund IVa Trust Series 2017-RT1, Class A1, CMO, ARM 3.00%, 3/28/57 (8)	35,437	36

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Benchmark Mortgage Trust Series 2018-B1, Class AM, ARM 3.878%, 1/15/51	25,000	29
Benchmark Mortgage Trust Series 2019-B13, Class AM, 3.183%, 8/15/57	35,000	39
BXP Trust Series 2017-GM, Class C, ARM 3.425%, 6/13/39 (8)	45,000	49
CIM Trust Series 2019-INV3, Class A15, CMO, ARM 3.50%, 8/25/49 (8)	60,772	62
CIM Trust Series 2020-INV1, Class A2, CMO, ARM 2.50%, 4/25/50 (8)	88,047	90
Citigroup Commercial Mortgage Trust Series 2014-GC21, Class AS, 4.026%, 5/10/47	35,000	38
Citigroup Commercial Mortgage Trust Series 2015-GC27, Class AS, 3.571%, 2/10/48	15,000	16
Citigroup Commercial Mortgage Trust Series 2017-C4, Class AS, 3.764%, 10/12/50	45,000	51
Citigroup Commercial Mortgage Trust Series 2017-P7, Class AS, 3.915%, 4/14/50	25,000	28
Citigroup Commercial Mortgage Trust Series 2018-B2, Class C, ARM 4.672%, 3/10/51	30,000	30
Cold Storage Trust Series 2020-ICE5, Class C, ARM 1M USD LIBOR + 1.65%, 1.809%, 11/15/37 (8)	100,000	100
COLT Mortgage Loan Trust Series 2019-3, Class A1, CMO, ARM 2.764%, 8/25/49 (8)	38,170	39
Commercial Mortgage Trust Series 2014-UBS6, Class AM, 4.048%, 12/10/47	110,000	121
Commercial Mortgage Trust Series 2015-CR24, Class AM, ARM 4.028%, 8/10/48	25,000	28

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Commercial Mortgage Trust Series 2015-LC21, Class B, ARM 4.335%, 7/10/48	45,000	49
Commercial Mortgage Trust Series 2015-PC1, Class B, ARM 4.43%, 7/10/50	20,000	21
Commercial Mortgage Trust Series 2016-CR28, Class AHR, 3.651%, 2/10/49	27,978	30
Connecticut Avenue Securities Series 2017-C02, Class 2ED3, CMO, ARM 1M USD LIBOR + 1.35%, 1.498%, 9/25/29	56,776	56
Connecticut Avenue Securities Series 2017-C06, Class 2ED1, CMO, ARM 1M USD LIBOR + 1.00%, 1.148%, 2/25/30	40,830	40
Connecticut Avenue Securities Series 2018-C01, Class 1ED2, CMO, ARM 1M USD LIBOR + 0.85%, 0.998%, 7/25/30	58,936	58
Connecticut Avenue Securities Series 2018-C02, Class 2EB2, CMO, ARM 1M USD LIBOR + 0.90%, 1.048%, 8/25/30	33,536	33
Connecticut Avenue Securities Trust Series 2020-R01, Class 1M1, CMO, ARM 1M USD LIBOR + 0.80%, 0.948%, 1/25/40 (8)	23,743	24
Connecticut Avenue Securities Trust Series 2020-R02, Class 2M1, CMO, ARM 1M USD LIBOR + 0.75%, 0.898%, 1/25/40 (8)	19,409	19
CSAIL Commercial Mortgage Trust Series 2019-C17, Class AS, 3.278%, 9/15/52	30,000	33
CSAIL Commercial Mortgage Trust Series 2019-C17, Class B, 3.48%, 9/15/52	35,000	37
Deephaven Residential Mortgage Trust Series 2018-2A, Class A1, CMO, ARM 3.479%, 4/25/58 (8)	27,520	28

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Deephaven Residential Mortgage Trust Series 2018-3A, Class M1, CMO, ARM 4.357%, 8/25/58 (8)	100,000	101
Ellington Financial Mortgage Trust Series 2019-2, Class A1, CMO, ARM 2.739%, 11/25/59 (8)	75,979	78
FREMF Mortgage Trust Series 2018-K731, Class B, ARM 3.933%, 2/25/25 (8)	65,000	71
FREMF Mortgage Trust Series 2019-K92, Class B, ARM 4.194%, 5/25/52 (8)	20,000	23
FREMF Mortgage Trust Series 2019-K97, Class B, ARM 3.764%, 9/25/51 (8)	50,000	56
FREMF Mortgage Trust Series 2019-K98, Class B, ARM 3.737%, 10/25/52 (8)	25,000	28
FREMF Mortgage Trust Series 2019-K100, Class B, ARM 3.49%, 11/25/52 (8)	45,000	49
Galton Funding Mortgage Trust Series 2018-1, Class A23, CMO, ARM 3.50%, 11/25/57 (8)	33,929	35
Galton Funding Mortgage Trust Series 2018-2, Class A22, CMO, ARM 4.00%, 10/25/58 (8)	39,642	41
Galton Funding Mortgage Trust Series 2019-H1, Class A1, CMO, ARM 2.657%, 10/25/59 (8)	46,864	48
Galton Funding Mortgage Trust Series 2019-H1, Class A3, CMO, ARM 2.964%, 10/25/59 (8)	72,569	73
Goldman Sachs Mortgage Securities Trust Series 2005-ROCK, Class A, 5.366%, 5/3/32 (8)	35,000	40
Goldman Sachs Mortgage Securities Trust Series 2013-GC16, Class B, ARM 5.161%, 11/10/46	120,000	127
Goldman Sachs Mortgage Securities Trust Series 2015-GC28, Class AS, 3.759%, 2/10/48	45,000	49

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Goldman Sachs Mortgage Securities Trust Series 2017-GS8, Class C, ARM 4.336%, 11/10/50	90,000	92
Goldman Sachs Mortgage Securities Trust Series 2019-GC40, Class A4, 3.16%, 7/10/52	100,000	113
Goldman Sachs Mortgage Securities Trust Series 2019-SOHO, Class C, ARM 1M USD LIBOR + 1.30%, 1.459%, 6/15/36 (8)	85,000	83
Great Wolf Trust Series 2019-WOLF, Class A, ARM 1M USD LIBOR + 1.034%, 1.193%, 12/15/36 (8)	40,000	39
Great Wolf Trust Series 2019-WOLF, Class C, ARM 1M USD LIBOR + 1.633%, 1.792%, 12/15/36 (8)	35,000	33
Hilton Orlando Trust Series 2018-ORL, Class A, ARM 1M USD LIBOR + 0.77%, 0.929%, 12/15/34 (8)	55,000	54
Homeward Opportunities Fund I Trust Series 2019-1, Class A2, CMO, ARM 3.556%, 1/25/59 (8)	74,997	76
Homeward Opportunities Fund I Trust Series 2019-3, Class A1, CMO, ARM 2.675%, 11/25/59 (8)	62,404	64
Homeward Opportunities Fund I Trust Series 2020-2, Class A1, CMO, ARM 1.657%, 5/25/65 (8)	88,879	90
Hudson Yards Mortgage Trust Series 2019-30HY, Class B, ARM 3.38%, 7/10/39 (8)	100,000	112
Hudson Yards Mortgage Trust Series 2019-30HY, Class D, ARM 3.443%, 7/10/39 (8)	100,000	107
Independence Plaza Trust Series 2018-INDP, Class A, 3.763%, 7/10/35 (8)	105,000	112
JPMorgan Chase Commercial Mortgage Securities Trust Series 2016-JP2, Class AS, 3.056%, 8/15/49	35,000	37

	Shares/Par	\$ Value
(Cost and value in \$000s)		
JPMorgan Chase Commercial Mortgage Securities Trust Series 2016-JP3, Class B, ARM 3.397%, 8/15/49	20,000	21
JPMorgan Chase Commercial Mortgage Securities Trust Series 2018-WPT, Class AFX, 4.248%, 7/5/33 (8)	20,000	21
JPMorgan Deutsche Bank Commercial Mortgage Securities Trust Series 2016-C1, Class AM, 3.539%, 5/10/49	100,000	109
JPMorgan Mortgage Trust Series 2019-INV2, Class A3, CMO, ARM 3.50%, 2/25/50 (8)	22,526	23
JPMorgan Mortgage Trust Series 2020-INV1, Class A11, CMO, ARM 1M USD LIBOR + 0.83%, 0.98%, 8/25/50 (8)	21,749	22
JPMorgan Mortgage Trust Series 2020-INV1, Class A3, CMO, ARM 3.50%, 8/25/50 (8)	28,999	30
JPMorgan Mortgage Trust Series 2020-LTV1, Class A3, CMO, ARM 3.50%, 6/25/50 (8)	41,253	43
JPMorgan Mortgage Trust Series 2020-LTV1, Class A15, CMO, ARM 3.50%, 6/25/50 (8)	20,627	21
MetLife Securitization Trust Series 2018-1A, Class A, CMO, ARM 3.75%, 3/25/57 (8)	78,018	84
Mill City Mortgage Loan Trust Series 2016-1, Class A1, CMO, ARM 2.50%, 4/25/57 (8)	19,576	20
Morgan Stanley Bank of America Merrill Lynch Trust Series 2014-C18, Class 300A, 3.749%, 8/15/31	25,000	27
Morgan Stanley Bank of America Merrill Lynch Trust Series 2015-C24, Class AS, ARM 4.036%, 5/15/48	10,000	11

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Morgan Stanley Bank of America Merrill Lynch Trust Series 2015-C27, Class AS, 4.068%, 12/15/47	40,000	45
Morgan Stanley Capital I Trust Series 2015-MS1, Class AS, ARM 4.031%, 5/15/48	10,000	11
Morgan Stanley Capital I Trust Series 2017-ASHF, Class B, ARM 1M USD LIBOR + 1.25%, 1.409%, 11/15/34 (8)	90,000	85
New Orleans Hotel Trust Series 2019-HNLA, Class B, ARM 1M USD LIBOR + 1.289%, 1.447%, 4/15/32 (8)	100,000	93
New Residential Mortgage Loan Trust Series 2019-NQM1, Class A1, CMO, ARM 3.675%, 1/25/49 (8)	34,008	34
New Residential Mortgage Loan Trust Series 2019-NQM2, Class A1, CMO, ARM 3.60%, 4/25/49 (8)	52,876	53
OBX Trust Series 2020-EXP1, Class 1A8, CMO, ARM 3.50%, 2/25/60 (8)	70,169	72
OBX Trust Series 2020-EXP2, Class A8, CMO, ARM 3.00%, 5/25/60 (8)	80,337	83
Seasoned Credit Risk Transfer Trust Series 2016-1, Class M1, CMO, ARM 3.00%, 9/25/55 (8)	16,699	17
Sequoia Mortgage Trust Series 2013-4, Class B1, CMO, ARM 3.484%, 4/25/43	56,876	59
Sequoia Mortgage Trust Series 2017-CH2, Class A19, CMO, ARM 4.00%, 12/25/47 (8)	30,676	31
SG Residential Mortgage Trust Series 2019-3, Class A1, CMO, ARM 2.703%, 9/25/59 (8)	50,529	51

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Starwood Mortgage Residential Trust Series 2019-IMC1, Class A1, CMO, ARM 3.468%, 2/25/49 (8)	48,114	48
Starwood Mortgage Residential Trust Series 2019-INV1, Class A1, CMO, ARM 2.61%, 9/27/49 (8)	65,537	67
Structured Agency Credit Risk Debt Notes Series 2018-DNA1, Class M2AT, CMO, ARM 1M USD LIBOR + 1.05%, 1.198%, 7/25/30	47,468	47
Structured Agency Credit Risk Debt Notes Series 2018-DNA2, Class M1, CMO, ARM 1M USD LIBOR + 0.80%, 0.948%, 12/25/30 (8)	10,665	11
Structured Agency Credit Risk Debt Notes Series 2018-DNA3, Class M1, CMO, ARM 1M USD LIBOR + 0.75%, 0.898%, 9/25/48 (8)	47	—
Structured Agency Credit Risk Debt Notes Series 2018-HQA1, Class M2AS, CMO, ARM 1M USD LIBOR + 1.10%, 1.248%, 9/25/30	34,709	35
Structured Agency Credit Risk Debt Notes Series 2018-HRP2, Class M2, CMO, ARM 1M USD LIBOR + 1.25%, 1.398%, 2/25/47 (8)	43,285	43
Structured Agency Credit Risk Debt Notes Series 2018-SPI2, Class M2, CMO, ARM 3.81%, 5/25/48 (8)	5,520	6
Structured Agency Credit Risk Debt Notes Series 2018-SPI3, Class M2, CMO, ARM 4.141%, 8/25/48 (8)	19,199	19

T. ROWE PRICE MODERATE ALLOCATION PORTFOLIO

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Structured Agency Credit Risk Debt Notes Series 2020- DNA2, Class M1, CMO, ARM 1M USD LIBOR + 0.75%, 0.898%, 2/25/50 (8)	18,264	18
Structured Agency Credit Risk Debt Notes Series 2020-DNA3, Class M1, CMO, ARM 1M USD LIBOR + 1.50%, 1.648%, 6/25/50 (8)	10,413	10
Structured Agency Credit Risk Debt Notes Series 2020-DNA4, Class M1, CMO, ARM 1M USD LIBOR + 1.50%, 1.648%, 8/25/50 (8)	43,296	43
Structured Agency Credit Risk Debt Notes Series 2020-DNA5, Class M2, CMO, ARM SOFR30A + 2.80%, 2.882%, 10/25/50 (8)	50,000	51
Structured Agency Credit Risk Debt Notes Series 2020-HQA5, Class M1, CMO, ARM SOFR30A + 1.10%, 1.182%, 11/25/50 (8)	25,000	25
Towd Point Mortgage Trust Series 2015-3, Class A1B, CMO, ARM 3.00%, 3/25/54 (8)	4,712	5
Towd Point Mortgage Trust Series 2015-5, Class A1B, CMO, ARM 2.75%, 5/25/55 (8)	11,621	12
Towd Point Mortgage Trust Series 2016-1, Class A1B, CMO, ARM 2.75%, 2/25/55 (8)	13,414	14
Towd Point Mortgage Trust Series 2017-1, Class A1, CMO, ARM 2.75%, 10/25/56 (8)	35,395	36
Towd Point Mortgage Trust Series 2017-1, Class M1, CMO, ARM 3.75%, 10/25/56 (8)	100,000	109

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Towd Point Mortgage Trust Series 2018-3, Class A1, CMO, ARM 3.75%, 5/25/58 (8)	65,356	70
Towd Point Mortgage Trust Series 2018-SJ1, Class A1, CMO, ARM 4.00%, 10/25/58 (8)	17,320	17
Verus Securitization Trust Series 2018-INV2, Class A1FX, CMO, ARM 4.148%, 10/25/58 (8)	48,771	50
Verus Securitization Trust Series 2019-1, Class A1, CMO, ARM 3.836%, 2/25/59 (8)	44,981	45
Verus Securitization Trust Series 2019-2, Class A3, CMO, ARM 3.448%, 5/25/59 (8)	74,566	75
Verus Securitization Trust Series 2019-3, Class A3, CMO, STEP 3.04%, 7/25/59 (8)	73,794	75
Verus Securitization Trust Series 2019-INV1, Class A1, CMO, ARM 3.402%, 12/25/59 (8)	55,294	56
Verus Securitization Trust Series 2019-INV3, Class A1, CMO, ARM 2.692%, 11/25/59 (8)	77,727	80
Wells Fargo Commercial Mortgage Trust Series 2015-C29, Class C, ARM 4.213%, 6/15/48	95,000	92
Wells Fargo Commercial Mortgage Trust Series 2015-NXS2, Class C, ARM 4.294%, 7/15/58	10,000	10
Wells Fargo Commercial Mortgage Trust Series 2017-C38, Class B, ARM 3.917%, 7/15/50	100,000	110
Wells Fargo Commercial Mortgage Trust Series 2017-C39, Class B, 4.025%, 9/15/50	125,000	138
Wells Fargo Commercial Mortgage Trust Series 2019-C51, Class A4, 3.311%, 6/15/52	33,547	38

	Shares/Par	\$ Value
(Cost and value in \$000s)		
Wells Fargo Commercial Mortgage Trust		
Series 2019-JWDR, Class A, ARM		
2.501%, 9/15/31 (8)	100,000	100
Wells Fargo Commercial Mortgage Trust		
Series 2020-C55, Class B, 3.139%, 2/15/53	34,691	37
Total Non-U.S. Government Mortgage-Backed Securities		
(Cost \$5,916)		6,072

U.S. GOVERNMENT & AGENCY MORTGAGE-BACKED SECURITIES 3.8%

U.S. GOVERNMENT AGENCY OBLIGATIONS 3.0% (10)

Federal Home Loan Mortgage		
2.50%, 4/1/30	26,996	29
3.00%, 12/1/42 - 2/1/47	182,603	196
3.50%, 8/1/42 - 3/1/44	169,181	183
4.00%, 8/1/40 - 8/1/45	88,421	97
4.50%, 6/1/39 - 5/1/42	88,078	98
5.00%, 1/1/24 - 8/1/40	28,813	33
6.00%, 8/1/21 - 8/1/38	7,765	8
6.50%, 3/1/32 - 4/1/32	2,433	3
7.00%, 6/1/32	638	—
Federal Home Loan Mortgage, ARM		
12M USD LIBOR + 1.785%, 2.285%, 9/1/32	93	—
12M USD LIBOR + 1.831%, 3.187%, 1/1/37	1,841	2
12M USD LIBOR + 1.734%, 3.734%, 2/1/37	3,484	4
Federal Home Loan Mortgage, UMBS		
3.00%, 9/1/49 - 12/1/50	67,746	72
4.00%, 12/1/49 - 2/1/50	144,553	155
4.50%, 5/1/50	26,094	28
Federal National Mortgage Assn.		
3.00%, 8/1/43 - 2/1/44	19,558	22
3.50%, 6/1/42 - 1/1/44	164,558	180
4.00%, 11/1/40	49,699	54
Federal National Mortgage Assn.		
ARM, 12M USD LIBOR + 1.888%, 2.638%, 8/1/36	2,344	2
Federal National Mortgage Assn.		
CMO, 4.00%, 6/25/44	22,353	23
Federal National Mortgage Assn.		
CMO, IO, 6.50%, 2/25/32	652	—
Federal National Mortgage Assn., UMBS		
2.00%, 1/1/51	16,000	17

	Shares/Par	\$ Value
(Cost and value in \$000s)		
2.50%, 1/1/32 - 11/1/50	194,547	206
3.00%, 6/1/27 - 7/1/50	960,405	1,029
3.50%, 1/1/30 - 7/1/50	689,739	740
4.00%, 11/1/40 - 1/1/50	355,872	390
4.50%, 5/1/22 - 5/1/50	222,779	249
5.00%, 10/1/21 - 12/1/47	89,193	102
5.50%, 12/1/34 - 9/1/41	92,367	109
6.00%, 8/1/21 - 1/1/41	60,427	72
6.50%, 7/1/32 - 5/1/40	35,091	42
7.00%, 4/1/32	328	—
UMBS, TBA		
2.00%, 1/1/36 - 1/1/51 (11)	700,000	728
2.50%, 1/1/36 - 1/1/51 (11)	550,000	579
3.00%, 1/1/51 (11)	215,000	225
3.50%, 1/1/36 - 1/1/51 (11)	120,000	127
4.00%, 1/1/51 (11)	80,000	85
4.50%, 1/1/51 (11)	115,000	125
		6,014

U.S. GOVERNMENT OBLIGATIONS 0.8%

Government National Mortgage Assn.		
3.00%, 7/15/43 - 7/20/50	290,004	306
3.50%, 12/20/42 - 4/20/48	312,615	343
4.00%, 7/20/42 - 1/20/48	149,261	164
4.50%, 10/20/39 - 3/20/47	105,980	118
5.00%, 3/20/34 - 5/20/48	122,118	136
5.50%, 10/20/32 - 3/20/49	76,152	86
6.00%, 4/15/36 - 12/20/38	12,791	15
6.50%, 3/15/26 - 12/20/33	3,625	3
7.00%, 9/20/27	2,182	2
8.00%, 4/15/26	260	—
Government National Mortgage Assn., CMO,		
3.00%, 11/20/47-12/20/47	23,626	25
Government National Mortgage Assn.		
CMO, IO, 4.50%, 12/20/39	1,756	—
Government National Mortgage Assn., TBA		
2.00%, 1/20/51 (11)	45,000	47
2.50%, 1/20/51 (11)	155,000	164
3.00%, 2/20/51 (11)	120,000	126
4.00%, 1/20/51 (11)	60,000	64
		1,599

Total U.S. Government & Agency Mortgage-Backed Securities
(Cost \$7,405) **7,613**

	Shares/Par	\$ Value
(Cost and value in \$000s)		
U.S. GOVERNMENT AGENCY OBLIGATIONS (EXCLUDING MORTGAGE-BACKED) 3.8%		
U.S. TREASURY OBLIGATIONS 3.8%		
U.S. Treasury Bonds, 1.125%, 8/15/40	700,000	662
U.S. Treasury Bonds, 1.375%, 8/15/50	550,000	514
U.S. Treasury Inflation-Indexed Bonds, 0.25%, 2/15/50	87,102	104
U.S. Treasury Notes, 0.125%, 5/15/23	455,000	455
U.S. Treasury Notes, 0.25%, 9/30/25	235,000	234
U.S. Treasury Notes, 0.375%, 9/30/27	1,980,000	1,949
U.S. Treasury Notes, 0.875%, 11/15/30	665,000	662
U.S. Treasury Notes, 1.375%, 10/15/22 (12)	1,845,000	1,886
U.S. Treasury Notes, 1.50%, 1/15/23	275,000	283
U.S. Treasury Notes, 1.625%, 11/15/22	850,000	874
Total U.S. Government Agency Obligations (Excluding Mortgage-Backed) (Cost \$7,590)		7,623
FOREIGN GOVERNMENT OBLIGATIONS & MUNICIPALITIES 0.2%		
Equate Petrochemical, 4.25%, 11/3/26	200,000	223
Perusahaan Listrik Negara, 4.00%, 6/30/50 (8)	200,000	206
Total Foreign Government Obligations & Municipalities (Cost \$416)		429

	Shares/Par	\$ Value
(Cost and value in \$000s)		
BOND MUTUAL FUNDS 13.8%		
T. Rowe Price Inflation Protected Bond Fund - I Class, (0.79)% (13)(14)	458	6
T. Rowe Price Institutional Emerging Markets Bond Fund, 4.31% (13)(14)	914,511	7,828
T. Rowe Price Institutional Floating Rate Fund - Institutional Class, 3.96% (13)(14)	84,452	818
T. Rowe Price Institutional High Yield Fund - Institutional Class, 3.55% (13)(14)	1,266,174	11,168
T. Rowe Price International Bond Fund - I Class, 0.85% (13)(14)	792,626	7,871
T. Rowe Price Limited Duration Inflation Focused Bond Fund - I Class, (0.83)% (13)(14)	8,770	46
Total Bond Mutual Funds (Cost \$26,689)		27,737
EQUITY MUTUAL FUNDS 6.4%		
T. Rowe Price Institutional Emerging Markets Equity Fund (13)	201,344	10,039
T. Rowe Price Real Assets Fund - I Class (13)	228,213	2,816
Total Equity Mutual Funds (Cost \$7,420)		12,855

	Shares/Par	\$ Value
(Cost and value in \$000s)		
SHORT-TERM INVESTMENTS 6.7%		
MONEY MARKET FUNDS 6.7%		
T. Rowe Price Treasury Reserve Fund, 0.08% (13)(15)	13,463,814	13,464
Total Short-Term Investments (Cost \$13,464)		13,464

	Shares/Par	\$ Value
(Cost and value in \$000s)		
SECURITIES LENDING COLLATERAL 0.1%		
INVESTMENTS IN A POOLED ACCOUNT THROUGH SECURITIES LENDING PROGRAM WITH JPMORGAN CHASE BANK 0.1%		
Short-Term Funds 0.1%		
T. Rowe Price Short-Term Fund, 0.14% (13)(15)	19,328	193
Total Investments in a Pooled Account through Securities Lending Program with JPMorgan Chase Bank		193
Total Securities Lending Collateral (Cost \$193)		193
Total Investments in Securities		
101.1% of Net Assets (Cost \$142,201)	\$	203,142

- ‡ Shares/Par and Notional Amount are denominated in U.S. dollars unless otherwise noted.
- (1) Non-income producing
 - (2) See Note 4. All or a portion of this security is on loan at December 31, 2020.
 - (3) Security cannot be offered for public resale without first being registered under the Securities Act of 1933 and related rules ("restricted security"). Acquisition date represents the day on which an enforceable right to acquire such security is obtained and is presented along with related cost in the security description. The fund has registration rights for certain restricted securities. Any costs related to such registration are borne by the issuer. The aggregate value of restricted securities (excluding 144A holdings) at period-end amounts to \$626 and represents 0.3% of net assets.
 - (4) See Note 2. Level 3 in fair value hierarchy.
 - (5) Investment in a partnership held indirectly through a limited liability company that is owned by the fund and treated as a corporation for U.S. tax purposes.
 - (6) The identity of certain securities has been concealed to protect the fund while it completes a purchase or selling program for the securities.
 - (7) Security is a fix-to-float security, which carries a fixed coupon until a certain date, upon which it switches to a floating rate. Reference rate and spread is provided if the rate is currently floating.
 - (8) Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration only to qualified institutional buyers. Total value of such securities at period-end amounts to \$10,307 and represents 5.1% of net assets.
 - (9) Perpetual security with no stated maturity date.
 - (10) Issuer operates under a Congressional charter; its securities are neither issued nor guaranteed by the U.S. government. The Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, including UMBS, currently operate under a federal conservatorship.
 - (11) See Note 4. To-Be-Announced purchase commitment. Total value of such securities at period-end amounts to \$2,270 and represents 1.1% of net assets.
 - (12) At December 31, 2020, all or a portion of this security is pledged as collateral and/or margin deposit to cover future funding obligations.
 - (13) Affiliated Companies
 - (14) SEC 30-day yield
 - (15) Seven-day yield

1M USD LIBOR	One month USD LIBOR (London interbank offered rate)
3M USD LIBOR	Three month USD LIBOR (London interbank offered rate)
12M USD LIBOR	Twelve month USD LIBOR (London interbank offered rate)
ADR	American Depositary Receipts
ARM	Adjustable Rate Mortgage (ARM); rate shown is effective rate at period-end. The rates for certain ARMs are not based on a published reference rate and spread but may be determined using a formula based on the rates of the underlying loans.
AUD	Australian Dollar
CAD	Canadian Dollar
CDI	CHESS or CREST Depositary Interest
CHF	Swiss Franc
CLO	Collateralized Loan Obligation
CMO	Collateralized Mortgage Obligation
DKK	Danish Krone
EUR	Euro
FRN	Floating Rate Note
GBP	British Pound
HKD	Hong Kong Dollar
IDR	Indonesian Rupiah
INR	Indian Rupee
IO	Interest-only security for which the fund receives interest on notional principal
ISK	Iceland Krona
JPY	Japanese Yen
KRW	South Korean Won
MXN	Mexican Peso
NOK	Norwegian Krone
NZD	New Zealand Dollar
PEN	Peruvian New Sol
PTT	Pass-Through Trust
REIT	A domestic Real Estate Investment Trust whose distributions pass-through with original tax character to the shareholder
RUB	Russian Ruble
SDR	Swedish Depositary Receipts
SEK	Swedish Krona
SGD	Singapore Dollar
SOFR30A	30-day Average SOFR (Secured Overnight Financing Rate)
STEP	Stepped coupon bond for which the coupon rate of interest adjusts on specified date(s); rate shown is effective rate at period-end.
TBA	To-Be-Announced
TWD	Taiwan Dollar
UMBS	Uniform Mortgage-Backed Securities
USD	U.S. Dollar
VR	Variable Rate; rate shown is effective rate at period-end. The rates for certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and based on current market conditions.

(Amounts in 000s, except market price)

SWAPS 0.1%

Description	Notional Amount	\$ Value	Upfront Payments/ \$ (Receipts)	Unrealized \$ Gain/(Loss)
BILATERAL SWAPS 0.0%				
Credit Default Swaps, Protection Sold 0.0%				
Bank of America, Protection Sold (Relevant Credit: Boeing, 8.75%, 8/15/21, \$104.62*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/21	115	1	1	—
Barclays Bank, Protection Sold (Relevant Credit: Republic of Chile, 3.24%, 2/6/28, \$113.61*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/25	155	4	2	2
Barclays Bank, Protection Sold (Relevant Credit: Republic of Indonesia, 3.70%, 1/8/22, \$103.25*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/25	40	1	—	1
Barclays Bank, Protection Sold (Relevant Credit: United Mexican States, 4.15%, 3/28/27, \$115.56*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/25	60	—	—	—
BNP Paribas, Protection Sold (Relevant Credit: Republic of Chile, 3.24%, 2/6/28, \$113.61*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/25	90	3	2	1
Citibank, Protection Sold (Relevant Credit: Devon Energy, 7.95%, 4/15/32, \$140.25*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/24	10	—	—	—
Citibank, Protection Sold (Relevant Credit: United Mexican States, 4.15%, 3/28/27, \$115.56*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/25	101	—	—	—
Goldman Sachs, Protection Sold (Relevant Credit: Republic of Indonesia, 3.70%, 1/8/22, \$103.25*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/25	165	3	—	3
JPMorgan Chase, Protection Sold (Relevant Credit: Barclays Bank, 2.65%, 1/11/21, \$100.00*), Receive 1.00% Quarterly, Pay upon credit default, 6/20/24 (EUR)	10	—	—	—
Morgan Stanley, Protection Sold (Relevant Credit: Devon Energy, 7.95%, 4/15/32, \$140.25*), Receive 1.00% Quarterly, Pay upon credit default, 12/20/24	5	—	—	—
Total Bilateral Credit Default Swaps, Protection Sold			5	7
Total Bilateral Swaps			5	7

*Market Price at December 31, 2020

(Amounts in 000s)

Description	Notional Amount	\$ Value	Initial \$ Value	Unrealized \$ Gain/(Loss)
CENTRALLY CLEARED SWAPS 0.1%				
Credit Default Swaps, Protection Sold 0.1%				
Protection Sold (Relevant Credit: Markit CDX.NA.IG-S34, 5 Year Index), Receive 1.00% Quarterly, Pay upon credit default, 6/20/25	410	7	(4)	11
Protection Sold (Relevant Credit: Markit CDX.NA.IG-S35, 5 Year Index), Receive 1.00% Quarterly, Pay upon credit default, 12/20/25	3,719	92	86	6
Total Centrally Cleared Credit Default Swaps, Protection Sold				17
Total Centrally Cleared Swaps				17
Net payments (receipts) of variation margin to date				(15)
Variation margin receivable (payable) on centrally cleared swaps			\$	2

Forward Currency Exchange Contracts

(Amounts in 000s)

Counterparty	Settlement	Receive	Deliver	Unrealized Gain/(Loss)	
Barclays Bank	2/19/21	EUR	17 USD	21 \$	1
Barclays Bank	2/19/21	GBP	35 USD	46	2
BNP Paribas	1/15/21	RUB	1,540 USD	21	—
BNP Paribas	2/19/21	USD	67 GBP	50	(2)
Citibank	1/22/21	AUD	90 USD	66	4
Citibank	1/22/21	NOK	185 USD	20	1
Citibank	1/22/21	NZD	65 USD	44	2
Credit Suisse	1/22/21	INR	1,535 USD	21	—
Credit Suisse	2/19/21	GBP	15 USD	20	1
Goldman Sachs	1/22/21	IDR	292,370 USD	21	—
Goldman Sachs	1/22/21	JPY	2,155 USD	20	—
Goldman Sachs	1/22/21	NOK	415 USD	46	2
HSBC Bank	1/22/21	CAD	85 USD	65	1
HSBC Bank	1/22/21	NZD	30 USD	21	1
HSBC Bank	2/19/21	SEK	175 USD	20	1
Morgan Stanley	1/15/21	PEN	75 USD	21	—
State Street	1/15/21	MXN	410 USD	21	—
State Street	1/22/21	AUD	80 USD	59	3
State Street	1/22/21	CAD	75 USD	58	1
State Street	1/22/21	JPY	6,100 USD	58	1
State Street	1/22/21	NOK	490 USD	55	2
State Street	1/22/21	USD	67 NZD	95	(1)
State Street	2/19/21	EUR	45 USD	54	1
State Street	2/19/21	USD	67 CHF	60	(1)
State Street	2/19/21	USD	76 EUR	64	(2)
State Street	2/19/21	USD	66 SEK	565	(2)
UBS Investment Bank	1/22/21	JPY	4,650 USD	44	1
UBS Investment Bank	2/19/21	CHF	60 USD	66	2
UBS Investment Bank	2/19/21	SEK	390 USD	45	2
Net unrealized gain (loss) on open forward currency exchange contracts				\$	21

Futures Contracts

(\$000s)

	Expiration Date	Notional Amount	Value and Unrealized Gain (Loss)
Long, 4 U.S. Treasury Long Bond contracts	3/21	693 \$	2
Long, 15 U.S. Treasury Notes five year contracts	3/21	1,892	4
Long, 19 U.S. Treasury Notes ten year contracts	3/21	2,623	(1)
Long, 3 Ultra U.S. Treasury Bonds contracts	3/21	641	(13)
Short, 9 Ultra U.S. Treasury Notes ten year contracts	3/21	(1,407)	9
Net payments (receipts) of variation margin to date			3
Variation margin receivable (payable) on open futures contracts		\$	4

Affiliated Companies

(\$000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company that is under common ownership or control. The following securities were considered affiliated companies for all or some portion of the year ended December 31, 2020. Net realized gain (loss), investment income, change in net unrealized gain/loss, and purchase and sales cost reflect all activity for the period then ended.

Affiliate	Net Realized Gain (Loss)	Change in Net Unrealized Gain/Loss	Investment Income
T. Rowe Price Inflation Protected Bond Fund - I Class	\$ —	\$ 1	\$ —
T. Rowe Price Institutional Emerging Markets Bond Fund	(3)	71	362
T. Rowe Price Institutional Emerging Markets Equity Fund	20	1,489	44
T. Rowe Price Institutional Floating Rate Fund - Institutional Class	(46)	(8)	43
T. Rowe Price Institutional High Yield Fund - Institutional Class	(23)	22	529
T. Rowe Price International Bond Fund - I Class	(115)	739	83
T. Rowe Price Limited Duration Inflation Focused Bond Fund - I Class	(7)	1	1
T. Rowe Price Real Assets Fund - I Class	(3)	208	52
T. Rowe Price Treasury Reserve Fund	—	—	36
T. Rowe Price Short-Term Fund	—	—	— ⁺⁺
Totals	\$ (177)[#]	\$ 2,523	\$ 1,150⁺

Supplementary Investment Schedule

Affiliate	Value 12/31/19	Purchase Cost	Sales Cost	Value 12/31/20
T. Rowe Price Inflation Protected Bond Fund - I Class	\$ 5	\$ —	\$ —	6
T. Rowe Price Institutional Emerging Markets Bond Fund	8,070	773	1,086	7,828
T. Rowe Price Institutional Emerging Markets Equity Fund	8,536	756	742	10,039
T. Rowe Price Institutional Floating Rate Fund - Institutional Class	1,269	44	487	818
T. Rowe Price Institutional High Yield Fund - Institutional Class	8,337	2,982	173	11,168
T. Rowe Price International Bond Fund - I Class	5,914	2,343	1,125	7,871
T. Rowe Price Limited Duration Inflation Focused Bond Fund - I Class	301	1	257	46
T. Rowe Price Real Assets Fund - I Class	2,560	301	253	2,816
T. Rowe Price Treasury Reserve Fund	4,689	□	□	13,464
T. Rowe Price Short-Term Fund	756	□	□	193
Total			\$	54,249[^]

[#] Capital gain distributions from mutual funds represented \$22 of the net realized gain (loss).

⁺⁺ Excludes earnings on securities lending collateral, which are subject to rebates and fees as described in Note 4.

⁺ Investment income comprised \$1,150 of dividend income and \$0 of interest income.

□ Purchase and sale information not shown for cash management funds.

[^] The cost basis of investments in affiliated companies was \$47,766.

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

December 31, 2020

STATEMENT OF ASSETS AND LIABILITIES

(\$000s, except shares and per share amounts)

Assets

Investments in securities, at value (cost \$142,201)	\$	203,142
Receivable for investment securities sold		793
Interest and dividends receivable		241
Receivable for shares sold		33
Unrealized gain on forward currency exchange contracts		29
Foreign currency (cost \$14)		14
Cash		7
Unrealized gain on bilateral swaps		7
Bilateral swap premiums paid		5
Variation margin receivable on futures contracts		4
Variation margin receivable on centrally cleared swaps		2
Other assets		84
Total assets		<u>204,361</u>

Liabilities

Payable for investment securities purchased		2,893
Payable for shares redeemed		220
Obligation to return securities lending collateral		193
Investment management and administrative fees payable		177
Unrealized loss on forward currency exchange contracts		8
Total liabilities		<u>3,491</u>

NET ASSETS**\$ 200,870****Net Assets Consist of:**

Total distributable earnings (loss)	\$	61,865
Paid-in capital applicable to 8,765,666 shares of \$0.0001 par value capital stock outstanding; 1,000,000,000 shares of the Corporation authorized		<u>139,005</u>

NET ASSETS**\$ 200,870****NET ASSET VALUE PER SHARE****\$ 22.92**

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

STATEMENT OF OPERATIONS

(\$000s)

	Year Ended 12/31/20
Investment Income (Loss)	
Income	
Dividend	\$ 2,663
Interest	1,043
Securities lending	4
Total income	3,710
Expenses	
Investment management and administrative expense	1,641
Waived / paid by Price Associates	(335)
Net expenses	1,306
Net investment income	2,404
Realized and Unrealized Gain / Loss	
Net realized gain (loss)	
Securities	6,635
Futures	324
Swaps	(256)
Forward currency exchange contracts	(21)
Foreign currency transactions	(4)
Capital gain distributions from mutual funds	22
Net realized gain	6,700
Change in net unrealized gain / loss	
Securities	16,007
Futures	14
Swaps	(25)
Forward currency exchange contracts	30
Other assets and liabilities denominated in foreign currencies	4
Change in net unrealized gain / loss	16,030
Net realized and unrealized gain / loss	22,730
INCREASE IN NET ASSETS FROM OPERATIONS	\$ 25,134

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

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	Year Ended 12/31/20	12/31/19
Increase (Decrease) in Net Assets		
Operations		
Net investment income	\$ 2,404	\$ 3,340
Net realized gain	6,700	6,747
Change in net unrealized gain / loss	16,030	21,662
Increase in net assets from operations	25,134	31,749
Distributions to shareholders		
Net earnings	(8,849)	(8,180)
Capital share transactions*		
Shares sold	22,283	15,615
Distributions reinvested	8,849	8,180
Shares redeemed	(31,192)	(29,463)
Decrease in net assets from capital share transactions	(60)	(5,668)
Net Assets		
Increase during period	16,225	17,901
Beginning of period	184,645	166,744
End of period	\$ 200,870	\$ 184,645
 *Share information		
Shares sold	1,070	769
Distributions reinvested	401	397
Shares redeemed	(1,514)	(1,464)
Decrease in shares outstanding	(43)	(298)

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

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price Equity Series, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The Moderate Allocation Portfolio (the fund) is a diversified, open-end management investment company established by the corporation. The fund seeks the highest total return over time consistent with an emphasis on both capital appreciation and income. Shares of the fund currently are offered only to insurance company separate accounts established for the purpose of funding variable annuity contracts and variable life insurance policies.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Investment Transactions, Investment Income, and Distributions Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Premiums and discounts on debt securities are amortized for financial reporting purposes. Paydown gains and losses are recorded as an adjustment to interest income. Inflation adjustments to the principal amount of inflation-indexed bonds are reflected as interest income. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from mutual fund investments are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Distributions from REITs are initially recorded as dividend income and, to the extent such represent a return of capital or capital gain for tax purposes, are reclassified when such information becomes available. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared and paid quarterly. A capital gain distribution may also be declared and paid by the fund annually.

Currency Translation Assets, including investments, and liabilities denominated in foreign currencies are translated into U.S. dollar values each day at the prevailing exchange rate, using the mean of the bid and asked prices of such currencies against U.S. dollars as quoted by a major bank. Purchases and sales of securities, income, and expenses are translated into U.S. dollars at the prevailing exchange rate on the respective date of such transaction. The effect of changes in foreign currency exchange rates on realized and unrealized security gains and losses is not bifurcated from the portion attributable to changes in market prices.

Capital Transactions Each investor's interest in the net assets of the fund is represented by fund shares. The fund's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET; each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. Purchases and redemptions of fund shares are transacted at the next-computed NAV per share, after receipt of the transaction order by T. Rowe Price Associates, Inc., or its agents.

New Accounting Guidance In March 2020, the FASB issued Accounting Standards Update (ASU), ASU 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides optional, temporary relief with respect to the financial reporting of contracts subject to certain types of modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021. The guidance is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management expects that the adoption of the guidance will not have a material impact on the fund's financial statements.

Indemnification In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

NOTE 2 - VALUATION

Fair Value The fund's financial instruments are valued at the close of the NYSE and are reported at fair value, which GAAP defines 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. The T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures and approves all fair value determinations. Specifically, the Valuation Committee establishes policies and procedures used in valuing financial instruments, including those which cannot be valued in accordance with normal procedures or using pricing vendors; determines pricing techniques, sources, and persons eligible to effect fair value pricing actions; evaluates the services and performance of the pricing vendors; oversees the pricing process to ensure policies and procedures are being followed; and provides guidance on internal controls and valuation-related matters. The Valuation Committee provides periodic reporting to the Board on valuation matters.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs (including the fund's own assumptions in determining fair value)

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. When multiple inputs are used to derive fair value, the financial instrument is assigned to the level within the fair value hierarchy based on the lowest-level input that is significant to the fair value of the financial instrument. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

Valuation Techniques Equity securities, including exchange-traded funds, listed or regularly traded on a securities exchange or in the over-the-counter (OTC) market are valued at the last quoted sale price or, for certain markets, the official closing price at the time the valuations are made. OTC Bulletin Board securities are valued at the mean of the closing bid and asked prices. A security that is listed or traded on more than one exchange is valued at the quotation on the exchange determined to be the primary market for such security. Listed securities not traded on a particular day are valued at the mean of the closing bid and asked prices for domestic securities and the last quoted sale or closing price for international securities.

The last quoted prices of non-U.S. equity securities may be adjusted to reflect the fair value of such securities at the close of the NYSE, if the fund determines that developments between the close of a foreign market and the close of the NYSE will affect the value of some or all of its portfolio securities. Each business day, the fund uses information from outside pricing services to evaluate and, if appropriate, decide whether it is necessary to adjust quoted prices to reflect fair value by reviewing a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. The fund uses outside pricing services to provide it with quoted prices and information to evaluate or adjust those prices. The fund cannot predict how often it will use quoted prices and how often it will determine it necessary to adjust those prices to reflect fair value.

Debt securities generally are traded in the OTC market and are valued at prices furnished by independent pricing services or by broker dealers who make markets in such securities. When valuing securities, the independent pricing services consider the yield or price of bonds of comparable quality, coupon, maturity, and type, as well as prices quoted by dealers who make markets in such securities.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation. Futures contracts are valued at closing settlement prices. Forward currency exchange contracts are valued using the prevailing forward exchange rate. Swaps are valued at prices furnished by an independent pricing service or independent swap dealers. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value.

Investments for which market quotations or market-based valuations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Committee, in accordance with fair valuation policies and procedures. The objective of any fair value pricing determination is to arrive at a price that could reasonably be expected from a current sale. Financial instruments fair valued by the Valuation Committee are primarily private placements, restricted securities, warrants, rights, and other securities that are not publicly traded. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Committee typically will afford greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Committee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; discounted cash flows; yield to maturity; or some combination. Fair value determinations are reviewed on a regular basis and updated as information becomes available, including actual purchase and sale transactions of the investment. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions, and fair value prices determined by the Valuation Committee could differ from those of other market participants.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on December 31, 2020 (for further detail by category, please refer to the accompanying Portfolio of Investments):

(\$000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Common Stocks	\$ 81,386	\$ 27,006	\$ 214	\$ 108,606
Convertible Preferred Stocks	—	43	364	407
Fixed Income Securities ¹	—	39,880	—	39,880
Bond Mutual Funds	27,737	—	—	27,737
Equity Mutual Funds	12,855	—	—	12,855
Short-Term Investments	13,464	—	—	13,464
Securities Lending Collateral	193	—	—	193
Total Securities	135,635	66,929	578	203,142
Swaps*	—	29	—	29
Forward Currency Exchange Contracts	—	29	—	29
Futures Contracts*	15	—	—	15
Total	\$ 135,650	\$ 66,987	\$ 578	\$ 203,215
Liabilities				
Forward Currency Exchange Contracts	\$ —	\$ 8	\$ —	\$ 8
Futures Contracts*	14	—	—	14
Total	\$ 14	\$ 8	\$ —	\$ 22

¹Includes Corporate Bonds, Asset-Backed Securities, Non-U.S. Government Mortgage-Backed Securities, U.S. Government & Agency Mortgage-Backed Securities, U.S. Government Agency Obligations (Excluding Mortgage-Backed), Foreign Government Obligations & Municipalities.

*The fair value presented includes cumulative gain (loss) on open futures contracts and centrally cleared swaps; however, the net value reflected on the accompanying Portfolio of Investments is only the unsettled variation margin receivable (payable) at that date.

NOTE 3 - DERIVATIVE INSTRUMENTS

During the year ended December 31, 2020, the fund invested in derivative instruments. As defined by GAAP, a derivative is a financial instrument whose value is derived from an underlying security price, foreign exchange rate, interest rate, index of prices or rates, or other variable; it requires little or no initial investment and permits or requires net settlement. The fund invests in derivatives only if the expected risks and rewards are consistent with its investment objectives, policies, and overall risk profile, as described in its prospectus and Statement of Additional Information. The fund may use derivatives for a variety of purposes, such as seeking to hedge against declines in principal value, increase yield, invest in an asset with greater efficiency and at a lower cost than is possible through direct investment, to enhance return, or to adjust credit exposure. The risks associated with the use of derivatives are different from, and potentially much greater than, the risks associated with investing directly in the instruments on which the derivatives are based. The fund at all times maintains sufficient cash reserves, liquid assets, or other SEC-permitted asset types to cover its settlement obligations under open derivative contracts.

The fund values its derivatives at fair value and recognizes changes in fair value currently in its results of operations. Accordingly, the fund does not follow hedge accounting, even for derivatives employed as economic hedges. Generally, the fund accounts for its derivatives on a gross basis. It does not offset the fair value of derivative liabilities against the fair value of derivative assets on its financial statements, nor does it offset the fair value of derivative instruments against the right to reclaim or obligation to return collateral. The following table summarizes the fair value of the fund's derivative instruments held as of December 31, 2020, and the related location on the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

(\$000s)	Location on Statement of Assets and Liabilities	Fair Value
Assets		
Interest rate derivatives	Futures*	\$ 15
Foreign exchange derivatives	Forwards	29
Credit derivatives	Bilateral Swaps and Premiums, Centrally Cleared Swaps*	29
Total		<u>\$ 73</u>
Liabilities		
Interest rate derivatives	Futures*	\$ 14
Foreign exchange derivatives	Forwards	8
Total		<u>\$ 22</u>

*The fair value presented includes cumulative gain (loss) on open futures contracts and centrally cleared swaps; however, the value reflected on the accompanying Statement of Assets and Liabilities is only the unsettled variation margin receivable (payable) at that date.

Additionally, the amount of gains and losses on derivative instruments recognized in fund earnings during the year ended December 31, 2020, and the related location on the accompanying Statement of Operations is summarized in the following table by primary underlying risk exposure:

(\$000s)	Location of Gain (Loss) on Statement of Operations				
	Futures	Forward Currency Exchange Contracts	Swaps	Total	
Realized Gain (Loss)					
Interest rate derivatives	\$ 324	\$ —	\$ —	\$	324
Foreign exchange derivatives	—	(21)	—		(21)
Credit derivatives	—	—	(256)		(256)
Total	\$ 324	\$ (21)	\$ (256)	\$	47
Change in Unrealized Gain (Loss)					
Interest rate derivatives	\$ 14	\$ —	\$ —	\$	14
Foreign exchange derivatives	—	30	—		30
Credit derivatives	—	—	(25)		(25)
Total	\$ 14	\$ 30	\$ (25)	\$	19

Counterparty Risk and Collateral The fund invests in derivatives in various markets, which expose it to differing levels of counterparty risk. Counterparty risk on exchange-traded and centrally cleared derivative contracts, such as futures, exchange-traded options, and centrally cleared swaps, is minimal because the clearinghouse provides protection against counterparty defaults. For futures and centrally cleared swaps, the fund is required to deposit collateral in an amount specified by the clearinghouse and the clearing firm (margin requirement), and the margin requirement must be maintained over the life of the contract. Each clearinghouse and clearing firm, in its sole discretion, may adjust the margin requirements applicable to the fund.

Derivatives, such as bilateral swaps, forward currency exchange contracts, and OTC options, that are transacted and settle directly with a counterparty (bilateral derivatives) may expose the fund to greater counterparty risk. To mitigate this risk, the fund has entered into master netting arrangements (MNAs) with certain counterparties that permit net settlement under specified conditions and, for certain counterparties, also require the exchange of collateral to cover mark-to-market exposure. MNAs may be in the form of International Swaps and Derivatives Association master agreements (ISDAs) or foreign exchange letter agreements (FX letters).

MNAs provide the ability to offset amounts the fund owes a counterparty against amounts the counterparty owes the fund (net settlement). Both ISDAs and FX letters generally allow termination of transactions and net settlement upon the occurrence of contractually specified events, such as failure to pay or bankruptcy. In addition, ISDAs specify other events, the occurrence of which would allow one of the parties to terminate. For example, a downgrade in credit rating of a counterparty below a specified rating would allow the fund to terminate, while a decline in the fund's net assets of more than a specified percentage would allow the counterparty to terminate. Upon termination, all transactions with that counterparty would be liquidated and a net termination amount settled. ISDAs include collateral agreements whereas FX letters do not. Collateral requirements are determined daily based on the net aggregate unrealized gain or loss on all bilateral derivatives with a counterparty, subject to minimum transfer amounts that typically range from \$100,000 to \$250,000. Any additional collateral required due to changes in security values is typically transferred the next business day.

Collateral may be in the form of cash or debt securities issued by the U.S. government or related agencies. Cash posted by the fund is reflected as cash deposits in the accompanying financial statements and generally is restricted from withdrawal by the fund; securities posted by the fund are so noted in the accompanying Portfolio of Investments; both remain in the fund's assets. Collateral pledged by counterparties is not included in the fund's assets because the fund does not obtain effective control over those assets. For bilateral derivatives, collateral posted or received by the fund is held in a segregated account at the fund's custodian. While typically not sold in the same manner as equity or fixed income securities, exchange-traded or centrally cleared derivatives may be closed out only on the exchange or clearinghouse where the contracts were traded, and OTC and bilateral derivatives may be unwound with counterparties or transactions assigned to other counterparties to allow the fund to exit the transaction. This ability is subject to the liquidity of underlying positions. As of December 31, 2020, no collateral was pledged by either the fund or counterparties for bilateral derivatives. As of December 31, 2020, securities valued at \$205,000 had been posted by the fund for exchange-traded and/or centrally cleared derivatives.

Forward Currency Exchange Contracts The fund is subject to foreign currency exchange rate risk in the normal course of pursuing its investment objectives. It uses forward currency exchange contracts (forwards) primarily to protect its non-U.S. dollar-denominated securities from adverse currency movements. A forward involves an obligation to purchase or sell a fixed amount of a specific currency on a future date at a price set at the time of the contract. Although certain forwards may be settled by exchanging only the net gain or loss on the contract, most forwards are settled with the exchange of the underlying currencies in accordance with the specified terms. Forwards are valued at the unrealized gain or loss on the contract, which reflects the net amount the fund either is entitled to receive or obligated to deliver, as measured by the difference between the forward exchange rates at the date of entry into the contract and the forward rates at the reporting date. Appreciated forwards are reflected as assets and depreciated forwards are reflected as liabilities on the accompanying Statement of Assets and Liabilities. Risks related to the use of forwards include the possible failure of counterparties to meet the terms of the agreements; that anticipated currency movements will not occur, thereby reducing the fund's total return; and the potential for losses in excess of the fund's initial investment. During the year ended December 31, 2020, the volume of the fund's activity in forwards, based on underlying notional amounts, was generally less than 1% of net assets.

Futures Contracts The fund is subject to interest rate risk in the normal course of pursuing its investment objectives and uses futures contracts to help manage such risk. The fund may enter into futures contracts to manage exposure to interest rates, security prices, foreign currencies, and credit quality; as an efficient means of adjusting exposure to all or part of a target market; to enhance income; as a cash management tool; or to adjust credit exposure. A futures contract provides for the future sale by one party and purchase by another of a specified amount of a specific underlying financial instrument at an agreed-upon price, date, time, and place. The fund currently invests only in exchange-traded futures, which generally are standardized as to maturity date, underlying financial instrument, and other contract terms. Payments are made or received by the fund each day to settle daily fluctuations in the value of the contract (variation margin), which reflect changes in the value of the underlying financial instrument. Variation margin is recorded as unrealized gain or loss until the contract is closed. The value of a futures contract included in net assets is the amount of unsettled variation margin; net variation margin receivable is reflected as an asset and net variation margin payable is reflected as a liability on the accompanying Statement of Assets and Liabilities. Risks related to the use of futures contracts include possible illiquidity of the futures markets, contract prices that can be highly volatile and imperfectly correlated to movements in hedged security values and/or interest rates, and potential losses in excess of the fund's initial investment. During the year ended December 31, 2020, the volume of the fund's activity in futures, based on underlying notional amounts, was generally between 2% and 10% of net assets.

Swaps The fund is subject to credit risk in the normal course of pursuing its investment objectives and uses swap contracts to help manage such risk. The fund may use swaps in an effort to manage both long and short exposure to changes in interest rates, inflation rates, and credit quality; to adjust overall exposure to certain markets; to enhance total return or protect the value of portfolio securities; to serve as a cash management tool; or to adjust credit exposure. Swap agreements can be settled either directly with the counterparty (bilateral swap) or through a central clearinghouse (centrally cleared swap). Fluctuations in the fair value of a contract are reflected in unrealized gain or loss and are reclassified to realized gain or loss upon contract termination or cash settlement. Net periodic receipts or payments required by a contract increase or decrease, respectively, the value of the contract until the contractual payment date, at which time such amounts are reclassified from unrealized to realized gain or loss. For bilateral swaps, cash payments are made or received by the fund on a periodic basis in accordance with contract terms; unrealized gain on contracts and premiums paid are reflected as assets and unrealized loss on contracts and premiums received are reflected as liabilities on the accompanying Statement of Assets and Liabilities. For bilateral swaps, premiums paid or received are amortized over the life of the swap and are recognized as realized gain or loss in the Statement of Operations. For centrally cleared swaps, payments are made or received by the fund each day to settle the daily

fluctuation in the value of the contract (variation margin). Accordingly, the value of a centrally cleared swap included in net assets is the unsettled variation margin; net variation margin receivable is reflected as an asset and net variation margin payable is reflected as a liability on the accompanying Statement of Assets and Liabilities.

Credit default swaps are agreements where one party (the protection buyer) agrees to make periodic payments to another party (the protection seller) in exchange for protection against specified credit events, such as certain defaults and bankruptcies related to an underlying credit instrument, or issuer or index of such instruments. Upon occurrence of a specified credit event, the protection seller is required to pay the buyer the difference between the notional amount of the swap and the value of the underlying credit, either in the form of a net cash settlement or by paying the gross notional amount and accepting delivery of the relevant underlying credit. For credit default swaps where the underlying credit is an index, a specified credit event may affect all or individual underlying securities included in the index and will be settled based upon the relative weighting of the affected underlying security(ies) within the index. Generally, the payment risk for the seller of protection is inversely related to the current market price or credit rating of the underlying credit or the market value of the contract relative to the notional amount, which are indicators of the markets' valuation of credit quality. As of December 31, 2020, the notional amount of protection sold by the fund totaled \$4,882,000 (2.4% of net assets), which reflects the maximum potential amount the fund could be required to pay under such contracts. Risks related to the use of credit default swaps include the possible inability of the fund to accurately assess the current and future creditworthiness of underlying issuers, the possible failure of a counterparty to perform in accordance with the terms of the swap agreements, potential government regulation that could adversely affect the fund's swap investments, and potential losses in excess of the fund's initial investment.

During the year ended December 31, 2020, the volume of the fund's activity in swaps, based on underlying notional amounts, was generally between 2% and 4% of net assets.

NOTE 4 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Emerging and Frontier Markets The fund invests, either directly or through investments in other T. Rowe Price funds, in securities of companies located in, issued by governments of, or denominated in or linked to the currencies of emerging and frontier market countries. Emerging markets, and to a greater extent frontier markets, generally have economic structures that are less diverse and mature, and political systems that are less stable, than developed countries. These markets may be subject to greater political, economic, and social uncertainty and differing regulatory environments that may potentially impact the fund's ability to buy or sell certain securities or repatriate proceeds to U.S. dollars. Such securities are often subject to greater price volatility, less liquidity, and higher rates of inflation than U.S. securities. Investing in frontier markets is significantly riskier than investing in other countries, including emerging markets.

Restricted Securities The fund invests in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

Collateralized Loan Obligations The fund invests in collateralized loan obligations (CLOs) which are entities backed by a diversified pool of syndicated bank loans. The cash flows of the CLO can be split into multiple segments, called "tranches" or "classes", which will vary in risk profile and yield. The riskiest segments, which are the subordinate or "equity" tranches, bear the greatest risk of loss from defaults in the underlying assets of the CLO and serve to protect the other, more senior, tranches. Senior tranches will typically have higher credit ratings and lower yields than the securities underlying the CLO. Despite the protection from the more junior tranches, senior tranches can experience substantial losses.

TBA Purchase, Sale Commitments and Forward Settling Mortgage Obligations The fund enters into to-be-announced (TBA) purchase or sale commitments (collectively, TBA transactions), pursuant to which it agrees to purchase or sell, respectively, mortgage-backed securities for a fixed unit price, with payment and delivery at a scheduled future date beyond the customary settlement period for such securities. With TBA transactions, the particular securities to be received or delivered by the fund are not identified at the trade date; however, the securities must meet specified terms, including rate and mortgage term, and be within industry-accepted "good delivery" standards. The fund may enter into TBA transactions with the intention of taking possession of or relinquishing the underlying

securities, may elect to extend the settlement by “rolling” the transaction, and/or may use TBA transactions to gain or reduce interim exposure to underlying securities. Until settlement, the fund maintains liquid assets sufficient to settle its commitment to purchase a TBA or, in the case of a sale commitment, the fund maintains an entitlement to the security to be sold.

To mitigate counterparty risk, the fund has entered into Master Securities Forward Transaction Agreements (MSFTA) with counterparties that provide for collateral and the right to offset amounts due to or from those counterparties under specified conditions. Subject to minimum transfer amounts, collateral requirements are determined and transfers made based on the net aggregate unrealized gain or loss on all TBA commitments and other forward settling mortgage obligations with a particular counterparty (collectively, MSFTA Transactions). At any time, the fund's risk of loss from a particular counterparty related to its MSFTA Transactions is the aggregate unrealized gain on appreciated MSFTA Transactions in excess of unrealized loss on depreciated MSFTA Transactions and collateral received, if any, from such counterparty. As of December 31, 2020, no collateral was pledged by the fund or counterparties for MSFTA Transactions.

Securities Lending The fund may lend its securities to approved borrowers to earn additional income. Its securities lending activities are administered by a lending agent in accordance with a securities lending agreement. Security loans generally do not have stated maturity dates, and the fund may recall a security at any time. The fund receives collateral in the form of cash or U.S. government securities. Collateral is maintained over the life of the loan in an amount not less than the value of loaned securities; any additional collateral required due to changes in security values is delivered to the fund the next business day. Cash collateral is invested in accordance with investment guidelines approved by fund management. Additionally, the lending agent indemnifies the fund against losses resulting from borrower default. Although risk is mitigated by the collateral and indemnification, the fund could experience a delay in recovering its securities and a possible loss of income or value if the borrower fails to return the securities, collateral investments decline in value, and the lending agent fails to perform. Securities lending revenue consists of earnings on invested collateral and borrowing fees, net of any rebates to the borrower, compensation to the lending agent, and other administrative costs. In accordance with GAAP, investments made with cash collateral are reflected in the accompanying financial statements, but collateral received in the form of securities is not. At December 31, 2020, the value of loaned securities was \$183,000; the value of cash collateral and related investments was \$193,000.

Mortgage-Backed Securities The fund invests in mortgage-backed securities (MBS or pass-through certificates) that represent an interest in a pool of specific underlying mortgage loans and entitle the fund to the periodic payments of principal and interest from those mortgages. MBS may be issued by government agencies or corporations, or private issuers. Most MBS issued by government agencies are guaranteed; however, the degree of protection differs based on the issuer. The fund also invests in stripped MBS, created when a traditional MBS is split into an interest-only (IO) and a principal-only (PO) strip. MBS, including IOs and POs, are sensitive to changes in economic conditions that affect the rate of prepayments and defaults on the underlying mortgages; accordingly, the value, income, and related cash flows from MBS may be more volatile than other debt instruments. IOs also risk loss of invested principal from faster-than-anticipated prepayments.

LIBOR The fund may invest in instruments that are tied to reference rates, including LIBOR. On July 27, 2017, the United Kingdom's Financial Conduct Authority announced a decision to transition away from LIBOR by the end of 2021. There remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement rate. Any potential effects of the transition away from LIBOR on the fund, or on certain instruments in which the fund invests, are not known. The transition process may result in, among other things, an increase in volatility or illiquidity of markets for instruments that currently rely on LIBOR, a reduction in the value of certain instruments held by the fund, or a reduction in the effectiveness of related fund transactions such as hedges. Any such effects could have an adverse impact on the fund's performance.

Other Purchases and sales of portfolio securities other than short-term and U.S. government securities aggregated \$84,143,000 and \$95,323,000, respectively, for the year ended December 31, 2020. Purchases and sales of U.S. government securities aggregated \$29,387,000 and \$30,802,000, respectively, for the year ended December 31, 2020.

NOTE 5 - FEDERAL INCOME TAXES

Generally, no provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund's tax returns are subject to examination by the 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.

Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The permanent book/tax adjustments have no impact on results of operations or net assets and relate primarily to the character of income on swaps.

Distributions during the years ended December 31, 2020 and December 31, 2019, were characterized for tax purposes as follows:

	December 31	
	2020	2019
Ordinary income	\$ 2,922	\$ 3,820
Long-term capital gain	5,927	4,360
Total distributions	<u>\$ 8,849</u>	<u>\$ 8,180</u>

At December 31, 2020, the tax-basis cost of investments, including derivatives, and components of net assets were as follows:

	(\$000s)
Cost of investments	\$ 144,444
Unrealized appreciation	\$ 61,721
Unrealized depreciation	(2,884)
Net unrealized appreciation (depreciation)	58,837
Undistributed ordinary income	79
Undistributed long-term capital gain	2,949
Paid-in capital	139,005
Net assets	<u>\$ 200,870</u>

The difference between book-basis and tax-basis net unrealized appreciation (depreciation) is attributable to the deferral of losses from wash sales and the realization of gains/losses on passive foreign investment companies and certain open derivative contracts for tax purposes.

NOTE 6 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management and administrative agreement between the fund and Price Associates provides for an all-inclusive annual fee equal to 0.90% of the fund's average daily net assets. The fee is computed daily and paid monthly. The all-inclusive fee covers investment management services and ordinary, recurring operating expenses but does not cover interest expense; expenses related to borrowing, taxes, and brokerage; or nonrecurring expenses. Effective July 1, 2018, Price Associates has contractually agreed, at least through April 30, 2021, to waive a portion of its management fee in order to limit the fund's management fee to 0.85% of the fund's average daily net assets. Thereafter, this agreement automatically renews for one-year terms unless terminated or modified by the fund's Board. Fees waived and expenses paid under this agreement are not subject to reimbursement to Price Associates by the fund. The total management fees waived were \$91,000 for the year ended December 31, 2020.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds, or the T. Rowe Price Short-Term Fund, a short-term bond fund (collectively, the Price Reserve Funds). The Price Reserve Funds are offered as short-term investment options to mutual funds, trusts, and other accounts managed by Price Associates or its affiliates and are not available for direct purchase by members of the public. Cash collateral from securities lending is invested in the T. Rowe Price Short-Term Fund. The Price Reserve Funds pay no investment management fees.

The fund may also invest in certain other T. Rowe Price funds (Price Funds) as a means of gaining efficient and cost-effective exposure to certain markets. The fund does not invest for the purpose of exercising management or control; however, investments by the fund may represent a significant portion of an underlying Price Fund's net assets. Each underlying Price Fund is an open-end management investment company managed by Price Associates and is considered an affiliate of the fund. To ensure that the fund does not incur duplicate management fees (paid by the underlying Price Fund(s) and the fund), Price Associates has agreed to permanently waive a portion of its management fee charged to the fund in an amount sufficient to fully offset that portion of management fees paid by each underlying Price Fund related to the fund's investment therein. Annual management fee rates and amounts waived related to investments in the underlying Price Fund(s) for the year ended December 31, 2020, are as follows:

(\$000s)	Effective Management Fee Rate	Management Fee Waived
T. Rowe Price Inflation Protected Bond Fund—I Class	0.17%	\$ —
T. Rowe Price Institutional Emerging Markets Bond Fund	0.70%	51
T. Rowe Price Institutional Emerging Markets Equity Fund	1.10%	94
T. Rowe Price Institutional Floating Rate Fund—Institutional Class	0.55%	5
T. Rowe Price Institutional High Yield Fund—Institutional Class	0.50%	48
T. Rowe Price International Bond Fund—I Class	0.49%	30
T. Rowe Price Limited Duration Inflation Focused Bond Fund—I Class	0.25%	—
T. Rowe Price Real Assets Fund—I Class	0.64%	16
Total Management Fee Waived		\$ 244

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the year ended December 31, 2020, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

Effective January 1, 2020, Price Associates has voluntarily agreed to reimburse the fund from its own resources on a monthly basis for the cost of investment research embedded in the cost of the fund's securities trades. This agreement may be rescinded at any time. For the year ended December 31, 2020, this reimbursement amounted to \$5,000, which is included in Net realized gain (loss) on Securities in the Statement of Operations.

NOTE 7 - OTHER MATTERS

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which a fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks. During 2020, a novel strain of coronavirus (COVID-19) resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

These types of events, such as the global pandemic caused by COVID-19, may also cause widespread fear and uncertainty, and result in, among other things: enhanced health screenings, quarantines, cancellations, and travel restrictions, including border closings; disruptions to business operations, supply chains and customer activity; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; reductions in consumer demand and economic output; and significant challenges in healthcare service preparation and delivery. The fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of the fund, its investment advisers, and the fund's service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operational systems, extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies.

Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets. The impact of this outbreak has adversely affected the economies of many nations and the entire global economy and may impact individual issuers and capital markets in ways that cannot be foreseen. Other infectious illness outbreaks that may arise in the future could have similar or other unforeseen effects. The duration of this outbreak or others and their effects cannot be determined with certainty.

Report of Independent Registered Public Accounting Firm

**To the Board of Directors of T. Rowe Price Equity Series, Inc.
and Shareholders of T. Rowe Price Moderate Allocation Portfolio**

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price Moderate Allocation Portfolio (one of the portfolios constituting T. Rowe Price Equity Series, Inc., referred to hereafter as the “Fund”) as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodians, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Baltimore, Maryland
February 9, 2021

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

TAX INFORMATION (UNAUDITED) FOR THE TAX YEAR ENDED 12/31/20

We are providing this information as required by the Internal Revenue Code. The amounts shown may differ from those elsewhere in this report because of differences between tax and financial reporting requirements.

The fund's distributions to shareholders included:

- \$504,000 from short-term capital gains,
- \$5,927,000 from long-term capital gains, subject to a long-term capital gains tax of not greater than 20%.

For taxable non-corporate shareholders, \$1,496,000 of the fund's income represents qualified dividend income subject to a long-term capital gains tax rate of not greater than 20%.

For corporate shareholders, \$777,000 of the fund's income qualifies for the dividends-received deduction.

For individuals and certain trusts and estates which are entitled to claim a deduction of up to 20% of their combined qualified real estate investment trust (REIT) dividends, \$29,000 of the fund's income qualifies as qualified real estate investment trust (REIT) dividends.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds and portfolios to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

<https://www.troweprice.com/corporate/en/utility/policies.html>

Scroll down to the section near the bottom of the page that says, "Proxy Voting Policies." Click on the Proxy Voting Policies link in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

Effective for reporting periods on or after March 1, 2019, a fund, except a money market fund, files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. Prior to March 1, 2019, a fund, including a money market fund, filed a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. A money market fund files detailed month-end portfolio holdings information on Form N-MFP with the SEC each month and posts a complete schedule of portfolio holdings on its website (troweprice.com) as of each month-end for the previous six months. A fund's Forms N-PORT, N-MFP, and N-Q are available electronically on the SEC's website (sec.gov).

ABOUT THE PORTFOLIO'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund's officers, who are listed in the final table. At least 75% of the Board's members are considered to be independent, i.e., not "interested persons" as defined in Section 2(a)(19) of the 1940 Act, of the Boards of T. Rowe Price Associates, Inc. (T. Rowe Price), and its affiliates; "interested" directors and officers are employees of T. Rowe Price. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

INDEPENDENT DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
Teresa Bryce Bazemore (1959) 2018 [190]	President, Radian Guaranty (2008 to 2017); Chief Executive Officer, Bazemore Consulting LLC (2018 to present); Director, Chimera Investment Corporation (2017 to present); Director, First Industrial Realty Trust (2020 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to 2019)
Ronald J. Daniels (1959) 2018 [190]	President, The Johns Hopkins University ^(b) and Professor, Political Science Department, The Johns Hopkins University (2009 to present); Director, Lyndhurst Holdings (2015 to present); Director, BridgeBio Pharma, Inc. (2020 to present)
Bruce W. Duncan (1951) 2013 [190]	President, Chief Executive Officer, and Director, CyrusOne, Inc. (2020 to present); Chief Executive Officer and Director (2009 to 2016), Chairman of the Board (2016 to 2020), and President (2009 to 2016), First Industrial Realty Trust, owner and operator of industrial properties; Chairman of the Board (2005 to 2016) and Director (1999 to 2016), Starwood Hotels & Resorts, a hotel and leisure company; Member, Investment Company Institute Board of Governors (2017 to 2019); Member, Independent Directors Council Governing Board (2017 to 2019); Senior Advisor, KKR (2018 to present); Director, Boston Properties (2016 to present); Director, Marriott International, Inc. (2016 to 2020)
Robert J. Gerrard, Jr. (1952) 2012 [190]	Advisory Board Member, Pipeline Crisis/Winning Strategies, a collaborative working to improve opportunities for young African Americans (1997 to 2016); Chairman of the Board, all funds (since July 2018)
Paul F. McBride (1956) 2013 [190]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)
Cecilia E. Rouse, Ph.D. (1963) 2012 [190]	Dean, Princeton School of Public and International Affairs (2012 to present); Professor and Researcher, Princeton University (1992 to present); Director of Education Studies Committee, MDRC, a nonprofit education and social policy research organization (2011 to 2020); Member, National Academy of Education (2010 to present); Board Member, National Bureau of Economic Research (2011 to present); Board Member of the Council on Foreign Relations (2018 to present); Board Member, The Pennington School (2017 to present); Board Member, the University of Rhode Island (2020 to present); Chair of Committee on the Status of Minority Groups in the Economic Profession of the American Economic Association (2012 to 2018); Vice President (2015 to 2016) and Board Member (2018 to present), American Economic Association
John G. Schreiber (1946) 2001 [190]	Owner/President, Centaur Capital Partners, Inc., a real estate investment company (1991 to present); Cofounder, Partner, and Cochairman of the Investment Committee, Blackstone Real Estate Advisors, L.P. (1992 to 2015); Director, Blackstone Mortgage Trust, a real estate finance company (2012 to 2016); Director and Chairman of the Board, Brixmor Property Group, Inc. (2013 to present); Director, Hilton Worldwide (2007 to present); Director, Hudson Pacific Properties (2014 to 2016); Director, Invitation Homes (2014 to 2017); Director, JMB Realty Corporation (1980 to present)

^(a)All information about the independent directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

^(b)William J. Stromberg, president and chief executive officer of T. Rowe Price Group, Inc., the parent company of the Price Funds' investment advisor, has served on the Board of Trustees of Johns Hopkins University since 2014.

INTERESTED DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
David Oestreicher (1967) 2018 [190]	General Counsel, Vice President, and Secretary, T. Rowe Price Group, Inc.; Chairman of the Board, Chief Executive Officer, President, and Secretary, T. Rowe Price Trust Company; Director, Vice President, and Secretary, T. Rowe Price, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.; Vice President and Secretary, T. Rowe Price International; Vice President, T. Rowe Price Hong Kong (Price Hong Kong), T. Rowe Price Japan (Price Japan), and T. Rowe Price Singapore (Price Singapore); Principal Executive Officer and Executive Vice President, all funds
Robert W. Sharps, CFA, CPA (1971) 2017 [190]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company; President, Equity Series

^(a)All information about the interested directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

OFFICERS

Name (Year of Birth) Position Held With Equity Series	Principal Occupation(s)
Ziad Bakri, M.D., CFA (1980) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Brian W.H. Berghuis, CFA (1958) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Darrell N. Braman (1963) Vice President	Vice President, Price Hong Kong, Price Singapore, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, T. Rowe Price Investment Services, Inc., and T. Rowe Price Services, Inc.
Alan S. Dupski, CPA (1982) Principal Financial Officer, Vice President, and Treasurer	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Alexa M. Gagliardi (1988) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Trust Company
John R. Gilner (1961) Chief Compliance Officer	Chief Compliance Officer and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Investment Services, Inc.
Gary J. Greb (1961) Vice President	Vice President, T. Rowe Price, T. Rowe Price International, and T. Rowe Price Trust Company
Paul J. Krug, CPA (1964) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John D. Linehan, CFA (1965) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Fran M. Pollack-Matz (1961) Vice President and Secretary	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Larry J. Puglia, CFA, CPA (1960) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Shannon H. Rauser (1987) Assistant Secretary	Assistant Vice President, T. Rowe Price

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

OFFICERS (CONTINUED)

Name (Year of Birth) Position Held With Equity Series	Principal Occupation(s)
Charles M. Shriver, CFA (1967) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, and T. Rowe Price Trust Company
Toby M. Thompson, CAIA, CFA (1971) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, and T. Rowe Price Trust Company
Ken D. Uematsu, CFA (1966) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John F. Wakeman (1962) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Megan Warren (1968) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; formerly, Executive Director, JPMorgan Chase (to 2017)
Justin P. White (1981) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

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Baltimore, MD 21202

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ANNUAL REPORT

December 31, 2020

T. ROWE PRICE

International Stock Portfolio

For more insights from T. Rowe Price investment professionals,
go to **[troweprice.com](https://www.troweprice.com)**.

HIGHLIGHTS

- The International Stock Portfolio returned 14.45% in the 12 months ended December 31, 2020, outperforming its benchmark, the MSCI All Country World Index ex USA Net, but underperforming its Lipper benchmark.
- A combination of favorable stock selection and allocation effects benefited the portfolio's performance.
- Our investment focus remains on companies with durable global franchises that can grow their earnings and cash flow at double-digit rates over the long term.
- We believe that fundamental research and an unwavering focus on our bottom-up stock selection process will be critical for our long-term investment success.

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TO ENROLL:

If you invest directly with T. Rowe Price, go to **troweprice.com/paperless**.

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It's convenient—access your important account documents whenever you need them.

It's secure—we protect your online accounts using “True Identity” to confirm new accounts and make verification faster and more secure.

It can save you money—where applicable, T. Rowe Price passes on the cost savings to fund holders.*

Log in to your account at **troweprice.com** for more information.

*Certain mutual fund accounts that are assessed an annual account service fee can also save money by switching to e-delivery.

Dear Investor

Nearly all major stock and bond indexes produced positive results during 2020 as markets recovered from the steep sell-off that resulted from the spread of the coronavirus. Extraordinary fiscal and monetary support from global governments and central banks helped spur the rebound, although the pandemic continued to pose significant public health and economic challenges as the year came to an end.

In the U.S., the large-cap Dow Jones Industrial Average and S&P 500 Index reached record highs, as did the technology-heavy Nasdaq Composite Index—a result that few would have predicted in late March after the benchmarks tumbled more than 30% as governments instituted lockdowns to try to halt the spread of the virus. Large-cap information technology and internet-related firms helped lead the rebound as they benefited from the work-from-home environment and an acceleration in demand for online services.

Within the S&P 500, the technology and consumer discretionary sectors were the top performers, and communication services and materials stocks also outperformed. Despite a late rally, the energy sector trailed with significant losses due to a plunge in oil prices.

Most equity markets outside the U.S. also performed well. Emerging markets outpaced developed markets, and Asian shares delivered strong results as China and other countries in the region proved relatively successful in containing the coronavirus.

Growth stocks significantly outpaced their value counterparts for the full year; however, value shares rallied late in the period. Positive vaccine news in November raised hopes for a return to normalcy in 2021 and boosted sectors that had been beaten down in the initial phases of the pandemic.

Within the fixed income universe, corporate bonds delivered strong results as the market easily absorbed a torrent of new issuance. After falling to record lows in March, intermediate- and longer-term Treasury yields ticked higher later in the year but remained very low by historical standards, a factor that encouraged investors to seek out riskier securities with higher return potential.

While investors had reason to cheer the market's recovery, the global economic outlook remained unclear as the year came to an end. Most notable on the positive side was the start of vaccine distributions, which provided hope that the pandemic was in its final phase. In addition, Congress passed a

\$900 billion coronavirus relief package, supplementing the \$2.4 trillion allocated to address the crisis earlier in the year, and the Fed continued to pledge very accommodative monetary policies for the foreseeable future. Meanwhile, political uncertainty diminished with Joe Biden's victory in the U.S. presidential election and the completion of a Brexit trade deal between the UK and the European Union.

On the negative side, concerns about a resurgence in virus hospitalizations led to new lockdowns and business restrictions in many countries, which in turn appeared to threaten economic recoveries. In the U.S., after a strong recovery in the summer and fall, the pace of hiring slowed late in the year, and household spending declined in November for the first time since April.

It was a remarkable 12-month period in many ways, but as far as markets are concerned, I can recall no calendar year that so starkly displayed evidence of both fear and greed. Fear emerged during the March sell-off and again in April as oil futures briefly traded in negative territory. Greed surfaced later as some assets seemed to continue to rally without fundamental support. Bitcoin rocketed to a record high of \$29,000 by year-end, and the amount of money raised by initial public offerings also climbed to historic levels. While valuations are still attractive in some areas of the market, other sectors appear to have already priced in a strong rebound in earnings and are trading at elevated levels.

There are both risks and potential rewards in this environment, and we believe strong fundamental analysis and skilled active security selection will remain critical components of investment success.

Thank you for your continued confidence in T. Rowe Price.

Sincerely,



Robert Sharps
Group Chief Investment Officer

INVESTMENT OBJECTIVE

The fund seeks long-term growth of capital through investments primarily in the common stocks of established, non-U.S. companies.

FUND COMMENTARY

How did the fund perform in the past 12 months?

The International Stock Portfolio returned 14.45% in the 12-month period ended December 31, 2020. The portfolio outperformed its benchmark, the MSCI All Country World Index ex USA Net, but trailed the Lipper Variable Annuity Underlying International Multi-Cap Growth Funds Average. *(Past performance cannot guarantee future results.)*

PERFORMANCE COMPARISON

Periods Ended 12/31/20	Total Return	
	6 Months	12 Months
International Stock Portfolio	22.36%	14.45%
MSCI All Country World Index ex USA Net	24.33	10.65
Lipper Variable Annuity Underlying International Multi-Cap Growth Funds Average	25.35	19.04

What factors influenced the fund's performance?

The portfolio posted modest absolute gains from its financials holdings, but thanks to adept stock selection, the sector generated the strongest relative performance contribution. The best relative performer in the sector was **AIA Group**, which gained more than 18% for the year. The Hong Kong-based insurer markets to individuals in several fast-growing, structurally attractive Southeast Asian markets, including in China, where life insurance penetration is limited and AIA has a substantial presence. The company is well capitalized with a significant and growing excess capital position, and we like the seasoned management team, which is focused on successful execution. We believe that the firm offers the potential for durable, resilient growth and that it can continue to increase earnings and margins over time. (Please refer to the portfolio of investments for a complete list of holdings and the amount each represents in the portfolio.)

Shares of **London Stock Exchange**, which operates a diversified information business (FTSE/Russell indexes), provides financial services (clearing houses), and operates several exchanges, advanced more than 20% for the year. We like the company's long-term growth potential because we think it is under-earning in several areas that are showing improvement, and we believe the company can generate margin expansion over a multiyear period. London Stock

Exchange has agreed to acquire Refinitiv, and we think the deal, which is expected to close in the first quarter of 2021, will be highly accretive.

Our holdings in the communication services sector generated a strong absolute and relative performance contribution. The portfolio benefited from good stock selection and an overweight allocation to the sector. **NAVER**, **Baidu**, and **Z Holdings** rallied on solid revenue and earnings results and generated strong absolute and relative gains. Each of these companies benefited from the pandemic-induced stay-at-home/work-from-home environment. NAVER, for example, operates the dominant search engine in South Korea and the leading mobile messenger (LINE) in Japan, Taiwan, and Thailand. LINE is expected to be consolidated by Z Holdings (formerly Yahoo Japan) in the first quarter of 2021. We believe that each of these companies is well positioned to capitalize on new opportunities in search, e-commerce, live streaming, and online payments.

SECTOR DIVERSIFICATION

	Percent of Net Assets	
	6/30/20	12/31/20
Consumer Discretionary	16.1%	17.3%
Financials	14.2	15.4
Information Technology	14.3	15.2
Health Care	14.7	13.5
Consumer Staples	12.6	11.2
Communication Services	9.6	8.9
Industrials and Business Services	8.6	8.2
Materials	4.8	4.9
Energy	1.7	1.8
Utilities	1.0	1.1
Real Estate	0.0	0.0
Other and Reserves	2.4	2.5
Total	100.0%	100.0%

Historical weightings reflect current industry/sector classifications.

Stock selection in the industrials and business services sector was the largest relative performance detractor. Our substantial positions in aerospace and defense holdings **Thales**, **Airbus**, and **Dassault Aviation** were among the portfolio's largest relative performance detractors. Airbus, facing weak demand, cut its aircraft production. Thales' shares fell after management said that it expected the coronavirus to hurt its near-term results. Similarly, Dassault Aviation languished as the outlook for the business jet market dimmed due to the uncertainty surrounding the coronavirus and global air travel.

How is the fund positioned?

The portfolio's regional, sector, and industry positioning is entirely the result of bottom-up stock selection. While we may occasionally have a qualitative macroeconomic view that modestly influences our allocations, they are predominantly a residual of our stock selection process, which has contributed to the portfolio's favorable long-term track record.

Our regional allocations were relatively unchanged. Developed Europe (40% of portfolio assets) appears to offer the best opportunities to buy durable growth companies with good risk/reward trade-offs. We have remained underweight in Japan (15%), which reflects the lack of compelling growth investments due to the weak global economy. We have maintained our modest overweight to emerging markets, where we continue to find solid growth companies trading at reasonable valuations. Stock selection in emerging markets was especially good and was closely rivaled by good stock picking in developed Europe. Many of our developed market-domiciled holdings generate a substantial portion of their revenues and income from operations in emerging markets.

Taiwan Semiconductor Manufacturing generated a top absolute performance contribution. Our overweight position in the chip manufacturer, which was the best contributor in the information technology sector, gained more than 75% for the year and provided a powerful relative performance contribution. In our view, the chip manufacturer operates a leading-edge process foundry. The company reported record third-quarter revenues and maintained its strong profit margins, which were powered by gains in 5G smartphone, high-performance computing, and internet-connectivity-related chips. We remain confident in the company's long-term prospects, market share gains, and new (non-smartphone) product cycles.

We have maintained our significant overweight in the health care sector. We view it as one of the more defensive sectors of the market. Volatility during the period provided us with opportunities to add positions that offered an attractive blend of risk/reward characteristics—a combination of strong fundamentals and earnings growth at compelling valuations. Our largest additions were to the pharmaceuticals and biotechnology segments, while we trimmed our exposure to life sciences and equipment suppliers. We established a new position and steadily added to **MorphoSys**, a Germany-based diversified biotechnology company engaged in the discovery and development of therapeutic antibodies. Our ongoing purchases reflect confidence in the long-term potential of the products in its pipeline and the management team's ability to generate strong long-term revenue and earnings growth.

We also initiated and built a large position in **Sanofi**, a France-based diversified multinational health care company engaged in the development, manufacturing, and sale of pharmaceutical, vaccine, and over-the-counter health care products. It was our largest purchase in the sector and the portfolio overall. We think that Dupixent (typically prescribed for eczema) and other drugs in the pipeline have the potential to be long-term growth drivers and will benefit the firm's operating margins. In our view, the company's shares are undervalued in absolute terms, relative their history and versus their peers.

We trimmed positions that outperformed amid the equity market rally to lock in good gains, and we sold firms where our thesis changed due to the coronavirus or to take advantage of investment ideas that we found more compelling. Our largest sale in the period was **Essity**, a global manufacturer of hygiene and personal care products, which surged off the first-quarter market lows. Although we generally view the Sweden-based company's products as recession-resistant, we decided to reduce our stake in favor of other opportunities that we believed offered better risk/reward potential. We have maintained a smaller position because we still believe in the company's long-term potential.

What is portfolio management's outlook?

International stock markets maintained their solid upward trajectory in the second half of the year, thanks to easy money policies, aggressive fiscal stimulus measures, and policymakers' assurances of ample liquidity and low interest rates for an extended period. The economic impact of the pandemic has inflicted damage that will take time to repair. Although investor sentiment improved following the discovery of effective vaccines, there are signs that the pace of recovery is slowing as the fiscal impact of pandemic relief programs begins to fade. Therefore, we believe the recovery in global economic growth will be uneven and marked by broad dispersion across countries, industries, and individual companies. Although the spread of the coronavirus accelerated late in the quarter, we remain optimistic that the distribution of vaccines will bring about an eventual return to normalcy, but many uncertainties and the potential for increased volatility remain.

In our opinion, global equity market valuations are not extreme, but in some areas they are stretched. While volatility is likely to persist, we remain optimistic about the longer-term outlook for international equities. We are uncovering attractive opportunities in out-of-favor growth stocks and high-quality, stable-growth companies. In this environment, we believe that active security selection will remain a critical component in our long-term investment success. As an active portfolio manager, we welcome volatility, which can provide us with opportunities to add high-conviction names at compelling prices.

As always, our focus is on owning high-quality growth companies with competitive advantages in their respective markets, especially companies that generate strong revenues, earnings, and free cash flow and have seasoned management teams. We search for companies that have the potential to generate double-digit total returns over time by participating in expanding markets, taking market share, or improving profitability faster than sales. We believe these companies are best equipped to navigate and thrive in the current unsettled environment. In our assessment, the best relative values are in consumer discretionary, financials, information technology, and health care, where the companies we own appear reasonably priced versus their growth prospects. We believe that our deep and talented research team and our unwavering focus on bottom-up stock selection are imperatives for long-term investment success.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

RISKS OF INTERNATIONAL INVESTING

Funds that invest overseas generally carry more risk than funds that invest strictly in U.S. assets. Risks can result from varying stages of economic and political development; differing regulatory environments, trading days, and accounting standards; and higher transaction costs of non-U.S. markets. Non-U.S. investments are also subject to currency risk, or a decline in the value of a foreign currency versus the U.S. dollar, which reduces the dollar value of securities denominated in that currency. These risks are generally greater for investments in emerging markets.

BENCHMARK INFORMATION

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TWENTY-FIVE LARGEST HOLDINGS

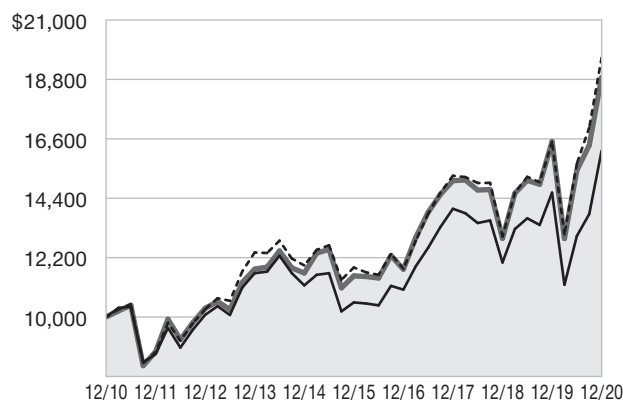
Company	Country	Percent of Net Assets 12/31/20
Taiwan Semiconductor Manufacturing	Taiwan	3.4%
Samsung Electronics	South Korea	2.7
Alibaba Group Holding	China	2.7
Naspers	South Africa	2.6
NAVER	South Korea	2.3
Thales	France	2.2
Unilever	United Kingdom	2.1
AlA Group	Hong Kong	2.0
Housing Development Finance	India	1.9
Prosus	Netherlands	1.8
Nestle	Switzerland	1.8
Lonza Group	Switzerland	1.7
ASML Holding	Netherlands	1.7
Koninklijke Philips	Netherlands	1.7
Nippon Telegraph & Telephone	Japan	1.6
Philip Morris International	United States	1.5
Otsuka Holdings	Japan	1.4
Z Holdings	Japan	1.4
Sanofi	France	1.4
EssilorLuxottica	France	1.4
Linde	United States	1.3
Julius Baer	Switzerland	1.3
London Stock Exchange	United Kingdom	1.3
Takeda Pharmaceutical	Japan	1.3
NXP Semiconductors	United States	1.2
Total		45.7%

Note: The information shown does not reflect any exchange-traded funds (ETFs), cash reserves, or collateral for securities lending that may be held in the portfolio.

GROWTH OF \$10,000

This chart shows the value of a hypothetical \$10,000 investment in the portfolio over the past 10 fiscal year periods or since inception (for portfolios lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from portfolio returns as well as mutual fund averages and indexes.

INTERNATIONAL STOCK PORTFOLIO



As of 12/31/20

— International Stock Portfolio	\$18,883
- - MSCI All Country World Index ex USA Net	16,163
- - - Lipper Variable Annuity Underlying International Multi-Cap Growth Funds Average	19,604

AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 12/31/20	1 Year	5 Years	10 Years
International Stock Portfolio	14.45%	10.38%	6.56%

The fund's performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please contact a T. Rowe Price representative at 1-800-469-6587 (financial advisors, or customers who have an advisor, should call 1-800-638-8790). Total returns do not include charges imposed by your insurance company's separate account. If these had been included, performance would have been lower.

This table shows how the portfolio would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. When assessing performance, investors should consider both short- and long-term returns.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Actual Expenses

The first line of the following table (Actual) provides information about actual account values and actual expenses. You may use the information on this line, together with your account balance, 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 on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other 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.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

INTERNATIONAL STOCK PORTFOLIO

	Beginning Account Value 7/1/20	Ending Account Value 12/31/20	Expenses Paid During Period* 7/1/20 to 12/31/20
Actual	\$1,000.00	\$1,223.60	\$5.31
Hypothetical (assumes 5% return before expenses)	1,000.00	1,020.36	4.82

*Expenses are equal to the fund's annualized expense ratio for the 6-month period (0.95%), multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184), and divided by the days in the year (366) to reflect the half-year period.

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE					
Beginning of period	\$ 15.62	\$ 13.04	\$ 17.35	\$ 14.27	\$ 14.67
Investment activities					
Net investment income ⁽¹⁾⁽²⁾	0.08	0.34 ⁽³⁾	0.21	0.17	0.17
Net realized and unrealized gain/loss	2.17	3.27	(2.67)	3.80	0.14
Total from investment activities	2.25	3.61	(2.46)	3.97	0.31
Distributions					
Net investment income	(0.09)	(0.37)	(0.23)	(0.19)	(0.16)
Net realized gain	(0.70)	(0.66)	(1.62)	(0.70)	(0.55)
Total distributions	(0.79)	(1.03)	(1.85)	(0.89)	(0.71)
NET ASSET VALUE					
End of period	\$ 17.08	\$ 15.62	\$ 13.04	\$ 17.35	\$ 14.27

Ratios/Supplemental Data

Total return⁽²⁾⁽⁴⁾	14.45%	27.77%	(14.20)%	27.88%	2.13%
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates ⁽⁵⁾	1.05%	1.05%	1.00%	1.05%	1.05%
Net expenses after waivers/payments by Price Associates	0.95%	0.95%	1.00%	1.05%	1.05%
Net investment income	0.56%	2.31% ⁽³⁾	1.28%	1.04%	1.15%
Portfolio turnover rate	30.6%	33.8%	36.3%	34.0%	39.5%
Net assets, end of period (in thousands)	\$ 300,544	\$ 295,743	\$ 271,207	\$ 382,759	\$ 310,621

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 7 for details of expense-related arrangements with Price Associates.

⁽³⁾ Reflects special dividends which amounted to \$0.16 per share and 1.07% of average net assets.

⁽⁴⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

⁽⁵⁾ See Note 7. Prior to 12/31/19, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

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

T. ROWE PRICE INTERNATIONAL STOCK PORTFOLIO

December 31, 2020

PORTFOLIO OF INVESTMENTS [†]	Shares	\$ Value
(Cost and value in \$000s)		
AUSTRIA 0.8%		
Common Stocks 0.8%		
Erste Group Bank (1)	80,412	2,450
Total Austria (Cost \$2,453)		2,450
BELGIUM 0.0%		
Common Stocks 0.0%		
Galapagos (1)	283	28
Total Belgium (Cost \$28)		28
BRAZIL 1.7%		
Common Stocks 1.7%		
Magazine Luiza	210,600	1,013
Rede D'Or Sao Luiz	45,036	590
StoneCo, Class A (USD) (1)	10,802	907
Suzano (1)	79,047	890
XP, Class A (USD) (1)	40,437	1,604
Total Brazil (Cost \$3,487)		5,004
CANADA 3.3%		
Common Stocks 3.3%		
Lightspeed POS (1)	14,240	1,005
Lundin Mining	132,223	1,174
Magna International (USD)	39,449	2,793
Seven Generations Energy, Class A (1)	352,671	1,831
TMX Group	30,718	3,068
Total Canada (Cost \$8,732)		9,871
CAYMAN ISLANDS 0.2%		
Convertible Preferred Stocks 0.2%		
ByteDance, Series E, Acquisition Date: 7/8/19, Cost: \$293 (USD) (1)(2)(3)	5,954	652
Total Cayman Islands (Cost \$293)		652

	Shares	\$ Value
(Cost and value in \$000s)		
CHINA 8.9%		
Common Stocks 6.2%		
58.com, Class A (USD) (1)	65,164	1,824
Alibaba Group Holding, ADR (USD) (1)	34,300	7,983
Baidu, ADR (USD) (1)	13,687	2,960
China Mengniu Dairy (HKD)	330,000	1,989
JD Health International (HKD) (1)	8,950	173
Tencent Holdings (HKD)	49,500	3,562
		18,491
Common Stocks - China A Shares 2.5%		
BTG Hotels Group, A Shares (CNH)	310,291	1,008
Gree Electric Appliances of Zhuhai, A Shares (CNH)	298,100	2,823
Kweichow Moutai, A Shares (CNH)	9,270	2,830
NARI Technology, A Shares (CNH)	206,800	841
		7,502
Convertible Preferred Stocks 0.2%		
Xiaoju Kuaizhi, Series A-17, Acquisition Date: 10/19/15, Cost: \$343 (USD) (1)(2)(3)	12,518	526
		526
Total China (Cost \$11,450)		26,519
FRANCE 6.9%		
Common Stocks 6.9%		
Air Liquide	9,585	1,571
Dassault Aviation (1)	2,897	3,155
EssilorLuxottica	26,158	4,076
LVMH Moet Hennessy Louis Vuitton	1,682	1,053
Sanofi	42,346	4,104
Thales	72,416	6,626
Total France (Cost \$18,574)		20,585

(Cost and value in \$000s)

GERMANY 4.2%**Common Stocks 4.1%**

Bayer	29,493	1,737
Beiersdorf	7,193	827
Evotec (1)(4)	64,941	2,400
Knorr-Bremse	13,393	1,830
Merck KGaA	3,598	617
MorphoSys (1)	15,068	1,762
SAP	6,928	897
TeamViewer (1)	27,000	1,450
Zalando (1)	8,028	893
		12,413

Preferred Stocks 0.1%

Sartorius (5)	1,049	442
		442

Total Germany
(Cost \$9,864) **12,855**

HONG KONG 2.0%**Common Stocks 2.0%**

AIA Group	492,400	6,000
Total Hong Kong (Cost \$1,509)		6,000

INDIA 4.5%**Common Stocks 4.5%**

Axis Bank (1)	311,791	2,648
Housing Development Finance	161,748	5,648
Kotak Mahindra Bank (1)	38,397	1,049
Maruti Suzuki India	16,141	1,694
NTPC	1,884,689	2,569
Total India (Cost \$8,090)		13,608

INDONESIA 1.7%**Common Stocks 1.7%**

Bank Central Asia	1,422,800	3,430
Sarana Menara Nusantara	26,522,300	1,813
Total Indonesia (Cost \$1,956)		5,243

(Cost and value in \$000s)

ITALY 1.9%**Common Stocks 1.9%**

Banca Mediolanum (1)	223,811	1,944
CNH Industrial (1)	105,384	1,325
DiaSorin	8,381	1,750
Terna Rete Elettrica Nazionale	77,248	593
Total Italy (Cost \$4,114)		5,612

JAPAN 15.1%**Common Stocks 15.1%**

Daiichi Sankyo	38,600	1,323
Disco	3,900	1,314
en-japan	14,500	436
Fujitsu General	94,300	2,557
Hoshizaki	17,600	1,616
Kansai Paint	47,900	1,477
Kao (4)	17,200	1,329
Murata Manufacturing	40,000	3,621
Nippon Telegraph & Telephone	190,500	4,888
ORIX	36,400	560
Otsuka Holdings	97,800	4,190
Outsourcing	103,300	1,389
Pan Pacific International Holdings	65,000	1,502
Persol Holdings	113,300	2,047
Seven & i Holdings	62,000	2,196
Shimadzu	33,700	1,310
Sony	17,200	1,733
Stanley Electric	63,400	2,045
Suzuki Motor	26,300	1,219
Takeda Pharmaceutical	108,632	3,931
Terumo	15,800	661
Z Holdings	683,300	4,135
Total Japan (Cost \$32,884)		45,479

NETHERLANDS 6.6%**Common Stocks 6.6%**

Adyen (1)	489	1,136
Akzo Nobel	32,301	3,467
ASML Holding	10,357	5,015
Koninklijke Philips (1)	92,141	4,963

	Shares	\$ Value
(Cost and value in \$000s)		
Prosus	49,885	5,387
Total Netherlands (Cost \$10,362)		19,968
PERU 0.5%		
Common Stocks 0.5%		
Credicorp (USD)	9,115	1,495
Total Peru (Cost \$1,512)		1,495
PHILIPPINES 0.4%		
Common Stocks 0.4%		
SM Investments	48,765	1,066
Total Philippines (Cost \$791)		1,066
POLAND 0.7%		
Common Stocks 0.7%		
Powszechny Zaklad Ubezpieczen (1)	247,074	2,146
Total Poland (Cost \$2,219)		2,146
PORTUGAL 2.2%		
Common Stocks 2.2%		
Galp Energia	342,621	3,631
Jeronimo Martins	181,624	3,053
Total Portugal (Cost \$7,646)		6,684
RUSSIA 0.5%		
Common Stocks 0.5%		
Sberbank of Russia, ADR (USD)	105,937	1,532
Total Russia (Cost \$1,034)		1,532

	Shares	\$ Value
(Cost and value in \$000s)		
SOUTH AFRICA 3.0%		
Common Stocks 3.0%		
Capitec Bank Holdings (1)	14,607	1,428
Naspers, N Shares	37,495	7,678
Total South Africa (Cost \$8,137)		9,106
SOUTH KOREA 5.7%		
Common Stocks 5.7%		
LG Household & Health Care	1,447	2,160
NAVER	25,177	6,787
Samsung Electronics	108,497	8,102
Total South Korea (Cost \$5,957)		17,049
SPAIN 0.4%		
Common Stocks 0.4%		
Amadeus IT Group, A Shares	15,569	1,149
Total Spain (Cost \$534)		1,149
SWEDEN 1.7%		
Common Stocks 1.7%		
Assa Abloy, B Shares	51,535	1,273
Essity, B Shares	42,293	1,363
Swedbank, A Shares (1)	136,045	2,386
Total Sweden (Cost \$3,671)		5,022
SWITZERLAND 6.8%		
Common Stocks 6.8%		
Alcon (1)	23,372	1,552
Julius Baer Group	69,902	4,027
Lonza Group	7,999	5,153
Nestle	45,247	5,349
Roche Holding	8,282	2,884
Temenos	10,129	1,411
Total Switzerland (Cost \$11,962)		20,376

(Cost and value in \$000s)

TAIWAN 3.4%**Common Stocks 3.4%**

Taiwan Semiconductor Manufacturing	537,000	10,159
Total Taiwan (Cost \$1,447)		10,159

THAILAND 0.5%**Common Stocks 0.5%**

CP ALL (1)	835,200	1,624
Total Thailand (Cost \$1,074)		1,624

UNITED ARAB EMIRATES 0.7%**Common Stocks 0.7%**

Network International Holdings (GBP) (1)	472,382	2,128
Total United Arab Emirates (Cost \$2,630)		2,128

UNITED KINGDOM 7.7%**Common Stocks 7.4%**

Amcor, CDI (AUD)	179,612	2,133
boohoo Group (1)	331,581	1,557
Burberry Group (1)	73,087	1,785
Farfetch, Class A (USD) (1)	17,283	1,103
Hiscox (1)	73,598	1,002
HomeServe	109,348	1,531
London Stock Exchange Group	32,423	4,002
Smith & Nephew	112,386	2,334
THG Holdings (1)	53,186	575
Unilever (EUR)	104,031	6,299
		22,321

(Cost and value in \$000s)

Convertible Preferred Stocks 0.3%

Roofoods, Series G, Acquisition

Date: 5/16/19, Cost: \$567

(USD) (1)(2)(3)

	1,358	874
		874

**Total United Kingdom
(Cost \$16,387)** **23,195**

UNITED STATES 5.5%**Common Stocks 5.5%**

Linde (EUR)	15,289	4,032
NXP Semiconductors (6)	23,466	3,731
Philip Morris International	56,153	4,649
Visa, Class A	11,166	2,442
Waste Connections	15,645	1,605

**Total United States
(Cost \$10,857)** **16,459**

SHORT-TERM INVESTMENTS 2.2%**MONEY MARKET FUNDS 2.2%**

T. Rowe Price Government Reserve

Fund,

0.08% (7)(8)

	6,475,594	6,476
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**Total Short-Term Investments
(Cost \$6,476)** **6,476**

SECURITIES LENDING COLLATERAL 1.0%**INVESTMENTS IN A POOLED ACCOUNT THROUGH
SECURITIES LENDING PROGRAM WITH JPMORGAN
CHASE BANK 1.0%****Short-Term Funds 1.0%**

T. Rowe Price Short-Term Fund,

0.14% (7)(8)

	303,556	3,036
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Total Investments in a Pooled Account through
Securities Lending Program with JPMorgan
Chase Bank **3,036**

**Total Securities Lending Collateral
(Cost \$3,036)** **3,036**

Total Investments in Securities

100.7% of Net Assets (Cost \$199,166) **\$ 302,576**

‡ Country classifications are generally based on MSCI categories or another unaffiliated third party data provider; Shares and Notional Amount are denominated in the currency of the country presented unless otherwise noted.

- (1) Non-income producing
- (2) Security cannot be offered for public resale without first being registered under the Securities Act of 1933 and related rules ("restricted security"). Acquisition date represents the day on which an enforceable right to acquire such security is obtained and is presented along with related cost in the security description. The fund has registration rights for certain restricted securities. Any costs related to such registration are borne by the issuer. The aggregate value of restricted securities (excluding 144A holdings) at period-end amounts to \$2,052 and represents 0.7% of net assets.
- (3) See Note 2. Level 3 in fair value hierarchy.
- (4) See Note 4. All or a portion of this security is on loan at December 31, 2020.
- (5) Preferred stocks are shares that carry certain preferential rights. The dividend rate may not be consistent each pay period and could be zero for a particular year.
- (6) All or a portion of this security is pledged to cover or as collateral for written call options at December 31, 2020.
- (7) Seven-day yield
- (8) Affiliated Companies

ADR American Depositary Receipts

AUD Australian Dollar

CDI CHES or CREST Depositary Interest

CNH Offshore China Renminbi

EUR Euro

GBP British Pound

HKD Hong Kong Dollar

OTC Over-the-counter

USD U.S. Dollar

(Amounts in 000s, except for contracts)

OPTIONS WRITTEN (0.0)%**OTC Options Written (0.0)%**

Counterparty	Description	Contracts	Notional Amount	\$ Value
JPMorgan Chase	NXP Semiconductors, Call, 1/15/21 @ \$140.00	6	95	(12)
JPMorgan Chase	NXP Semiconductors, Call, 1/15/21 @ \$145.00	5	80	(7)
JPMorgan Chase	NXP Semiconductors, Call, 1/15/21 @ \$150.00	29	461	(30)
Total Options Written (Premiums \$(30))			\$	(49)

Affiliated Companies

(\$000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company that is under common ownership or control. The following securities were considered affiliated companies for all or some portion of the year ended December 31, 2020. Net realized gain (loss), investment income, change in net unrealized gain/loss, and purchase and sales cost reflect all activity for the period then ended.

Affiliate	Net Realized Gain (Loss)	Change in Net Unrealized Gain/Loss	Investment Income
T. Rowe Price Government Reserve Fund	\$ —	\$ —	\$ 21
T. Rowe Price Short-Term Fund	—	—	— ⁺⁺
Totals	\$ — [#]	\$ —	\$ 21 ⁺

Supplementary Investment Schedule

Affiliate	Value 12/31/19	Purchase Cost	Sales Cost	Value 12/31/20
T. Rowe Price Government Reserve Fund	\$ 3,933	□	□ \$	6,476
T. Rowe Price Short-Term Fund	3,538	□	□	3,036
Total			\$	9,512 [^]

Capital gain distributions from mutual funds represented \$0 of the net realized gain (loss).

++ Excludes earnings on securities lending collateral, which are subject to rebates and fees as described in Note 4.

+ Investment income comprised \$21 of dividend income and \$0 of interest income.

□ Purchase and sale information not shown for cash management funds.

^ The cost basis of investments in affiliated companies was \$9,512.

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

December 31, 2020

STATEMENT OF ASSETS AND LIABILITIES

(\$000s, except shares and per share amounts)

Assets

Investments in securities, at value (cost \$199,166)	\$	302,576
Receivable for investment securities sold		419
Foreign currency (cost \$407)		409
Dividends receivable		247
Receivable for shares sold		37
Other assets		400
Total assets		<u>304,088</u>

Liabilities

Obligation to return securities lending collateral		3,036
Investment management and administrative fees payable		275
Payable for investment securities purchased		124
Payable for shares redeemed		60
Options written (premiums \$30)		49
Total liabilities		<u>3,544</u>

NET ASSETS**\$ 300,544****Net Assets Consist of:**

Total distributable earnings (loss)	\$	100,842
Paid-in capital applicable to 17,594,583 shares of \$0.0001 par value capital stock outstanding; 1,000,000,000 shares of the Corporation authorized		<u>199,702</u>

NET ASSETS**\$ 300,544****NET ASSET VALUE PER SHARE****\$ 17.08**

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

STATEMENT OF OPERATIONS

(\$000s)

	Year Ended 12/31/20
Investment Income (Loss)	
Income	
Dividend (net of foreign taxes of \$474)	\$ 3,974
Securities lending	31
Total income	4,005
Expenses	
Investment management and administrative expense	2,789
Waived / paid by Price Associates	(266)
Net expenses	2,523
Net investment income	1,482
Realized and Unrealized Gain / Loss	
Net realized gain (loss)	
Securities	12,895
Options written	139
Forward currency exchange contracts	(28)
Foreign currency transactions	28
Net realized gain	13,034
Change in net unrealized gain / loss	
Securities	22,566
Options written	(13)
Forward currency exchange contracts	(3)
Other assets and liabilities denominated in foreign currencies	22
Change in net unrealized gain / loss	22,572
Net realized and unrealized gain / loss	35,606
INCREASE IN NET ASSETS FROM OPERATIONS	\$ 37,088

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

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	Year Ended 12/31/20	12/31/19
Increase (Decrease) in Net Assets		
Operations		
Net investment income	\$ 1,482	\$ 6,656
Net realized gain	13,034	11,356
Change in net unrealized gain / loss	22,572	52,057
Increase in net assets from operations	37,088	70,069
Distributions to shareholders		
Net earnings	(13,333)	(18,455)
Capital share transactions*		
Shares sold	16,169	21,319
Distributions reinvested	13,333	18,455
Shares redeemed	(48,456)	(66,852)
Decrease in net assets from capital share transactions	(18,954)	(27,078)
Net Assets		
Increase during period	4,801	24,536
Beginning of period	295,743	271,207
End of period	\$ 300,544	\$ 295,743
 *Share information		
Shares sold	1,090	1,427
Distributions reinvested	788	1,195
Shares redeemed	(3,213)	(4,487)
Decrease in shares outstanding	(1,335)	(1,865)

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

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price International Series, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The International Stock Portfolio (the fund) is a diversified, open-end management investment company established by the corporation. The fund seeks long-term growth of capital through investments primarily in the common stocks of established, non-U.S. companies. Shares of the fund are currently offered only to insurance company separate accounts established for the purpose of funding variable annuity contracts and variable life insurance policies.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Investment Transactions, Investment Income, and Distributions Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from mutual fund investments are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared and paid annually. A capital gain distribution may also be declared and paid by the fund annually.

Currency Translation Assets, including investments, and liabilities denominated in foreign currencies are translated into U.S. dollar values each day at the prevailing exchange rate, using the mean of the bid and asked prices of such currencies against U.S. dollars as quoted by a major bank. Purchases and sales of securities, income, and expenses are translated into U.S. dollars at the prevailing exchange rate on the respective date of such transaction. The effect of changes in foreign currency exchange rates on realized and unrealized security gains and losses is not bifurcated from the portion attributable to changes in market prices.

Capital Transactions Each investor's interest in the net assets of the fund is represented by fund shares. The fund's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET, each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. Purchases and redemptions of fund shares are transacted at the next-computed NAV per share, after receipt of the transaction order by T. Rowe Price Associates, Inc., or its agents.

Indemnification In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

NOTE 2 - VALUATION

Fair Value The fund's financial instruments are valued at the close of the NYSE and are reported at fair value, which GAAP defines 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. The T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures and approves all fair value determinations. Specifically, the Valuation Committee establishes policies and procedures used in valuing financial instruments, including those which cannot be valued in accordance with normal procedures or using pricing vendors; determines pricing techniques, sources, and persons eligible to effect fair value pricing actions; evaluates the services and performance of the pricing vendors; oversees the pricing process to ensure policies and procedures are being followed; and provides guidance on internal controls and valuation-related matters. The Valuation Committee provides periodic reporting to the Board on valuation matters.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs (including the fund's own assumptions in determining fair value)

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. When multiple inputs are used to derive fair value, the financial instrument is assigned to the level within the fair value hierarchy based on the lowest-level input that is significant to the fair value of the financial instrument. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

Valuation Techniques Equity securities, including exchange-traded funds, listed or regularly traded on a securities exchange or in the over-the-counter (OTC) market are valued at the last quoted sale price or, for certain markets, the official closing price at the time the valuations are made. OTC Bulletin Board securities are valued at the mean of the closing bid and asked prices. A security that is listed or traded on more than one exchange is valued at the quotation on the exchange determined to be the primary market for such security. Listed securities not traded on a particular day are valued at the mean of the closing bid and asked prices for domestic securities and the last quoted sale or closing price for international securities.

The last quoted prices of non-U.S. equity securities may be adjusted to reflect the fair value of such securities at the close of the NYSE, if the fund determines that developments between the close of a foreign market and the close of the NYSE will affect the value of some or all of its portfolio securities. Each business day, the fund uses information from outside pricing services to evaluate and, if appropriate, decide whether it is necessary to adjust quoted prices to reflect fair value by reviewing a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. The fund uses outside pricing services to provide it with quoted prices and information to evaluate or adjust those prices. The fund cannot predict how often it will use quoted prices and how often it will determine it necessary to adjust those prices to reflect fair value.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation. Listed options, and OTC options with a listed equivalent, are valued at the mean of the closing bid and asked prices and Exchange-traded options on futures contracts are valued at closing settlement prices. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value.

Investments for which market quotations or market-based valuations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Committee, in accordance with fair valuation policies and procedures. The objective of any fair value pricing determination is to arrive at a price that could reasonably be expected from a current sale. Financial instruments fair valued by the Valuation Committee are primarily private placements, restricted securities, warrants, rights, and other securities that are not publicly traded. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Committee typically will afford greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Committee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; discounted cash flows; yield to maturity; or some combination. Fair value determinations are reviewed on a regular basis and updated as information becomes available, including actual purchase and sale transactions of the investment. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions, and fair value prices determined by the Valuation Committee could differ from those of other market participants.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on December 31, 2020 (for further detail by category, please refer to the accompanying Portfolio of Investments):

(\$000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Common Stocks	\$ 31,272	\$ 259,298	\$ —	\$ 290,570
Convertible Preferred Stocks	—	—	2,052	2,052
Preferred Stocks	—	442	—	442
Short-Term Investments	6,476	—	—	6,476
Securities Lending Collateral	3,036	—	—	3,036
Total	\$ 40,784	\$ 259,740	\$ 2,052	\$ 302,576
Liabilities				
Options Written	\$ —	\$ 49	\$ —	\$ 49

NOTE 3 - DERIVATIVE INSTRUMENTS

During the year ended December 31, 2020, the fund invested in derivative instruments. As defined by GAAP, a derivative is a financial instrument whose value is derived from an underlying security price, foreign exchange rate, interest rate, index of prices or rates, or other variable; it requires little or no initial investment and permits or requires net settlement. The fund invests in derivatives only if the expected risks and rewards are consistent with its investment objectives, policies, and overall risk profile, as described in its prospectus and Statement of Additional Information. The fund may use derivatives for a variety of purposes, such as seeking to hedge against declines in principal value, increase yield, invest in an asset with greater efficiency and at a lower cost than is possible through direct investment, to enhance return, or to adjust credit exposure. The risks associated with the use of derivatives are different from, and potentially much greater than, the risks associated with investing directly in the instruments on which the derivatives are based. The fund at all times maintains sufficient cash reserves, liquid assets, or other SEC-permitted asset types to cover its settlement obligations under open derivative contracts.

The fund values its derivatives at fair value and recognizes changes in fair value currently in its results of operations. Accordingly, the fund does not follow hedge accounting, even for derivatives employed as economic hedges. Generally, the fund accounts for its derivatives on a gross basis. It does not offset the fair value of derivative liabilities against the fair value of derivative assets on its financial statements, nor does it offset the fair value of derivative instruments against the right to reclaim or obligation to return collateral. As of December 31, 2020, the fund held equity derivatives with a fair value of \$49,000 included in Options written, on the accompanying Statement of Assets and Liabilities.

Additionally, the amount of gains and losses on derivative instruments recognized in fund earnings during the year ended December 31, 2020, and the related location on the accompanying Statement of Operations is summarized in the following table by primary underlying risk exposure:

(\$000s)	Location of Gain (Loss) on Statement of Operations			
	Options Written	Forward Currency Exchange Contracts	Total	
Realized Gain (Loss)				
Foreign exchange derivatives	\$ —	\$ (28)	\$	(28)
Equity derivatives	139	—		139
Total	\$ 139	\$ (28)	\$	111
Change in Unrealized Gain (Loss)				
Foreign exchange derivatives	\$ —	\$ (3)	\$	(3)
Equity derivatives	(13)	—		(13)
Total	\$ (13)	\$ (3)	\$	(16)

Counterparty Risk and Collateral The fund invests in derivatives, such as bilateral swaps, forward currency exchange contracts, or OTC options, that are transacted and settle directly with a counterparty (bilateral derivatives), and thereby may expose the fund to counterparty risk. To mitigate this risk, the fund has entered into master netting arrangements (MNAs) with certain counterparties that permit net settlement under specified conditions and, for certain counterparties, also require the exchange of collateral to cover mark-to-market exposure. MNAs may be in the form of International Swaps and Derivatives Association master agreements (ISDAs) or foreign exchange letter agreements (FX letters).

MNAs govern the ability to offset amounts the fund owes a counterparty against amounts the counterparty owes the fund (net settlement). Both ISDAs and FX letters generally allow termination of transactions and net settlement upon the occurrence of contractually specified events, such as failure to pay or bankruptcy. In addition, ISDAs specify other events, the occurrence of which would allow one of the parties to terminate. For example, a downgrade in credit rating of a counterparty below a specified rating would allow the fund to terminate, while a decline in the fund's net assets of more than a specified percentage would allow the counterparty to terminate. Upon termination, all transactions with that counterparty would be liquidated and a net termination amount determined. ISDAs include collateral agreements whereas FX letters do not. Collateral requirements are determined daily based on the net aggregate unrealized gain or loss on all bilateral derivatives with each counterparty, subject to minimum transfer amounts that typically range from \$100,000 to \$250,000. Any additional collateral required due to changes in security values is typically transferred the next business day.

Collateral may be in the form of cash or debt securities issued by the U.S. government or related agencies. Cash posted by the fund is reflected as cash deposits in the accompanying financial statements and generally is restricted from withdrawal by the fund; securities posted by the fund are so noted in the accompanying Portfolio of Investments; both remain in the fund's assets. Collateral pledged by counterparties is not included in the fund's assets because the fund does not obtain effective control over those assets. For bilateral derivatives, collateral posted or received by the fund is held in a segregated account at the fund's custodian. While typically not sold in the same manner as equity or fixed income securities, OTC and bilateral derivatives may be unwound with counterparties or transactions assigned to other counterparties to allow the fund to exit the transaction. This ability is subject to the liquidity of underlying positions. As of December 31, 2020, no collateral was pledged by either the fund or counterparties for bilateral derivatives.

Forward Currency Exchange Contracts The fund is subject to foreign currency exchange rate risk in the normal course of pursuing its investment objectives. It uses forward currency exchange contracts (forwards) primarily to protect its non-U.S. dollar-denominated securities from adverse currency movements. A forward involves an obligation to purchase or sell a fixed amount of a specific currency on a future date at a price set at the time of the contract. Although certain forwards may be settled by exchanging only the net gain or loss on the contract, most forwards are settled with the exchange of the underlying currencies in accordance with the specified terms. Forwards are valued at the unrealized gain or loss on the contract, which reflects the net amount the fund either is entitled to receive or obligated to deliver, as measured by the difference between the forward exchange rates at the date of entry into the contract and the forward rates at the reporting date. Appreciated forwards are reflected as assets and depreciated forwards are reflected as liabilities on the accompanying Statement of Assets and Liabilities. Risks related to the use of forwards include the possible failure of counterparties to meet the terms of the agreements; that anticipated currency movements will not occur, thereby reducing the fund's total return; and the potential for losses in excess of the fund's initial investment. During the year ended December 31, 2020, the volume of the fund's activity in forwards, based on underlying notional amounts, was generally less than 1% of net assets.

Options The fund is subject to equity price risk in the normal course of pursuing its investment objectives and uses options to help manage such risk. The fund may use options to manage exposure to security prices, interest rates, foreign currencies, and credit quality; as an efficient means of adjusting exposure to all or a part of a target market; to enhance income; as a cash management tool; or to adjust credit exposure. Options are included in net assets at fair value, options purchased are included in Investments in Securities, and Options written are separately reflected as a liability on the accompanying Statement of Assets and Liabilities. Premiums on unexercised, expired options are recorded as realized gains or losses; premiums on exercised options are recorded as an adjustment to the proceeds from the sale or cost of the purchase. The difference between the premium and the amount received or paid in a closing transaction is also treated as realized gain or loss. In return for a premium paid, call and put options give the holder the right, but not the obligation, to purchase or sell, respectively, a security at a specified exercise price. Risks related to the use of options include possible illiquidity of the options markets; trading restrictions imposed by an exchange or counterparty; movements in the underlying asset values and, for options written, potential losses in excess of the fund's initial investment. During the year ended December 31, 2020, the volume of the fund's activity in options, based on underlying notional amounts, was generally between 0% and 2% of net assets.

NOTE 4 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Emerging and Frontier Markets The fund invests, either directly or through investments in other T. Rowe Price funds, in securities of companies located in, issued by governments of, or denominated in or linked to the currencies of emerging and frontier market countries. Emerging markets, and to a greater extent frontier markets, generally have economic structures that are less diverse and mature, and political systems that are less stable, than developed countries. These markets may be subject to greater political, economic, and social uncertainty and differing regulatory environments that may potentially impact the fund's ability to buy or sell certain securities or repatriate proceeds to U.S. dollars. Such securities are often subject to greater price volatility, less liquidity, and higher rates of inflation than U.S. securities. Investing in frontier markets is significantly riskier than investing in other countries, including emerging markets.

Restricted Securities The fund invests in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

Securities Lending The fund may lend its securities to approved borrowers to earn additional income. Its securities lending activities are administered by a lending agent in accordance with a securities lending agreement. Security loans generally do not have stated maturity dates, and the fund may recall a security at any time. The fund receives collateral in the form of cash or U.S. government securities. Collateral is maintained over the life of the loan in an amount not less than the value of loaned securities; any additional collateral required due to changes in security values is delivered to the fund the next business day. Cash collateral is invested in accordance with investment guidelines approved by fund management. Additionally, the lending agent indemnifies the fund against losses resulting from borrower default. Although risk is mitigated by the collateral and indemnification, the fund could experience a delay in recovering its securities and a possible loss of income or value if the borrower fails to return the securities, collateral investments decline in value, and the lending agent fails to perform. Securities lending revenue consists of earnings on invested collateral and borrowing fees, net of any rebates to the borrower, compensation to the lending agent, and other administrative costs. In accordance

with GAAP, investments made with cash collateral are reflected in the accompanying financial statements, but collateral received in the form of securities is not. At December 31, 2020, the value of loaned securities was \$2,875,000; the value of cash collateral and related investments was \$3,036,000.

Other Purchases and sales of portfolio securities other than short-term securities aggregated \$79,956,000 and \$113,288,000, respectively, for the year ended December 31, 2020.

NOTE 5 - FEDERAL INCOME TAXES

Generally, no provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund's tax returns are subject to examination by the 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.

Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences.

Distributions during the years ended December 31, 2020 and December 31, 2019, were characterized for tax purposes as follows:

	December 31	
	2020	2019
Ordinary income	\$ 2,531	\$ 7,525
Long-term capital gain	10,802	10,930
Total distributions	<u>\$ 13,333</u>	<u>\$ 18,455</u>

At December 31, 2020, the tax-basis cost of investments, including derivatives, and components of net assets were as follows:

	(\$000s)
Cost of investments	\$ 204,301
Unrealized appreciation	\$ 106,183
Unrealized depreciation	(7,947)
Net unrealized appreciation (depreciation)	98,236
Undistributed ordinary income	967
Undistributed long-term capital gain	1,639
Paid-in capital	199,702
Net assets	<u>\$ 300,544</u>

The difference between book-basis and tax-basis net unrealized appreciation (depreciation) is attributable to the deferral of losses from wash sales and the realization of gains/losses on passive foreign investment companies for tax purposes.

NOTE 6 - FOREIGN TAXES

The fund is subject to foreign income taxes imposed by certain countries in which it invests. Additionally, capital gains realized upon disposition of securities issued in or by certain foreign countries are subject to capital gains tax imposed by those countries. All taxes are computed in accordance with the applicable foreign tax law, and, to the extent permitted, capital losses are used to offset capital gains. Taxes attributable to income are accrued by the fund as a reduction of income. Current and deferred tax expense attributable to capital gains is reflected as a component of realized or change in unrealized gain/loss on securities in the accompanying financial statements. To the extent that the fund has country specific capital loss carryforwards, such carryforwards are applied against net unrealized gains when determining the deferred tax liability. Any deferred tax liability incurred by the fund is included in either Other liabilities or Deferred tax liability on the accompanying Statement of Assets and Liabilities.

NOTE 7 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). Price Associates has entered into a sub-advisory agreement(s) with one or more of its wholly owned subsidiaries, to provide investment advisory services to the fund. The investment management and administrative agreement between the fund and Price Associates provides for an all-inclusive annual fee equal to 1.05% of the fund's average daily net assets. The fee is computed daily and paid monthly. The all-inclusive fee covers investment management services and ordinary, recurring operating expenses but does not cover interest expense; expenses related to borrowing, taxes, and brokerage; or nonrecurring expenses. Effective July 1, 2018, Price Associates has contractually agreed, at least through April 30, 2021 to waive a portion of its management fee in order to limit the fund's management fee to 0.95% of the fund's average daily net assets. Thereafter, this agreement automatically renews for one-year terms unless terminated or modified by the fund's Board. Fees waived and expenses paid under this agreement are not subject to reimbursement to Price Associates by the fund. The total management fees waived were \$266,000 for the year ended December 31, 2020.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds, or the T. Rowe Price Short-Term Fund, a short-term bond fund (collectively, the Price Reserve Funds). The Price Reserve Funds are offered as short-term investment options to mutual funds, trusts, and other accounts managed by Price Associates or its affiliates and are not available for direct purchase by members of the public. Cash collateral from securities lending is invested in the T. Rowe Price Short-Term Fund. The Price Reserve Funds pay no investment management fees.

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the year ended December 31, 2020, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

Effective January 1, 2020, Price Associates has voluntarily agreed to reimburse the fund from its own resources on a monthly basis for the cost of investment research embedded in the cost of the fund's securities trades. This agreement may be rescinded at any time. For the year ended December 31, 2020, this reimbursement amounted to \$8,000, which is included in Net realized gain (loss) on Securities in the Statement of Operations.

NOTE 8 - OTHER MATTERS

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which a fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks. During 2020, a novel strain of coronavirus (COVID-19) resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

These types of events, such as the global pandemic caused by COVID-19, may also cause widespread fear and uncertainty, and result in, among other things: enhanced health screenings, quarantines, cancellations, and travel restrictions, including border closings; disruptions to business operations, supply chains and customer activity; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; reductions in consumer demand and economic output; and significant challenges in healthcare service preparation and delivery. The fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of the fund, its investment advisers, and the fund's service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operational systems, extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies.

Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets. The impact of this outbreak has adversely affected the economies of many nations and the entire global economy and may impact individual issuers and capital markets in ways that cannot be foreseen. Other infectious illness outbreaks that may arise in the future could have similar or other unforeseen effects. The duration of this outbreak or others and their effects cannot be determined with certainty.

Report of Independent Registered Public Accounting Firm

**To the Board of Directors of T. Rowe Price International Series, Inc. and
Shareholders of T. Rowe Price International Stock Portfolio**

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price International Stock Portfolio (constituting T. Rowe Price International Series, Inc., referred to hereafter as the “Fund”) as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Baltimore, Maryland
February 9, 2021

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

TAX INFORMATION (UNAUDITED) FOR THE TAX YEAR ENDED 12/31/20

We are providing this information as required by the Internal Revenue Code. The amounts shown may differ from those elsewhere in this report because of differences between tax and financial reporting requirements.

The fund's distributions to shareholders included

- \$1,013,000 from short-term capital gains.
- \$10,802,000 from long-term capital gains, subject to a long-term capital gains tax rate of not greater than 20%.

For taxable non-corporate shareholders, \$3,268,000 of the fund's income represents qualified dividend income subject to long-term capital gains tax rate of not greater than 20%.

For corporate shareholders, \$282,000 of the fund's income qualifies for the dividends-received deduction.

The fund will pass through foreign source income of \$3,091,000 and foreign taxes paid of \$418,000.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds and portfolios to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

<https://www.troweprice.com/corporate/en/utility/policies.html>

Scroll down to the section near the bottom of the page that says, "Proxy Voting Policies." Click on the Proxy Voting Policies link in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

Effective for reporting periods on or after March 1, 2019, a fund, except a money market fund, files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. Prior to March 1, 2019, a fund, including a money market fund, filed a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. A money market fund files detailed month-end portfolio holdings information on Form N-MFP with the SEC each month and posts a complete schedule of portfolio holdings on its website (troweprice.com) as of each month-end for the previous six months. A fund's Forms N-PORT, N-MFP, and N-Q are available electronically on the SEC's website (sec.gov).

ABOUT THE PORTFOLIO'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund's officers, who are listed in the final table. At least 75% of the Board's members are considered to be independent, i.e., not "interested persons" as defined in Section 2(a)(19) of the 1940 Act, of the Boards of T. Rowe Price Associates, Inc. (T. Rowe Price), and its affiliates; "interested" directors and officers are employees of T. Rowe Price. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

INDEPENDENT DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
Teresa Bryce Bazemore (1959) 2018 [190]	President, Radian Guaranty (2008 to 2017); Chief Executive Officer, Bazemore Consulting LLC (2018 to present); Director, Chimera Investment Corporation (2017 to present); Director, First Industrial Realty Trust (2020 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to 2019)
Ronald J. Daniels (1959) 2018 [190]	President, The Johns Hopkins University ^(b) and Professor, Political Science Department, The Johns Hopkins University (2009 to present); Director, Lyndhurst Holdings (2015 to present); Director, BridgeBio Pharma, Inc. (2020 to present)
Bruce W. Duncan (1951) 2013 [190]	President, Chief Executive Officer, and Director, CyrusOne, Inc. (2020 to present); Chief Executive Officer and Director (2009 to 2016), Chairman of the Board (2016 to 2020), and President (2009 to 2016), First Industrial Realty Trust, owner and operator of industrial properties; Chairman of the Board (2005 to 2016) and Director (1999 to 2016), Starwood Hotels & Resorts, a hotel and leisure company; Member, Investment Company Institute Board of Governors (2017 to 2019); Member, Independent Directors Council Governing Board (2017 to 2019); Senior Advisor, KKR (2018 to present); Director, Boston Properties (2016 to present); Director, Marriott International, Inc. (2016 to 2020)
Robert J. Gerrard, Jr. (1952) 2012 [190]	Advisory Board Member, Pipeline Crisis/Winning Strategies, a collaborative working to improve opportunities for young African Americans (1997 to 2016); Chairman of the Board, all funds (since July 2018)
Paul F. McBride (1956) 2013 [190]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)
Cecilia E. Rouse, Ph.D. (1963) 2012 [190]	Dean, Princeton School of Public and International Affairs (2012 to present); Professor and Researcher, Princeton University (1992 to present); Director of Education Studies Committee, MDRC, a nonprofit education and social policy research organization (2011 to 2020); Member, National Academy of Education (2010 to present); Board Member, National Bureau of Economic Research (2011 to present); Board Member of the Council on Foreign Relations (2018 to present); Board Member, The Pennington School (2017 to present); Board Member, the University of Rhode Island (2020 to present); Chair of Committee on the Status of Minority Groups in the Economic Profession of the American Economic Association (2012 to 2018); Vice President (2015 to 2016) and Board Member (2018 to present), American Economic Association
John G. Schreiber (1946) 2001 [190]	Owner/President, Centaur Capital Partners, Inc., a real estate investment company (1991 to present); Cofounder, Partner, and Cochairman of the Investment Committee, Blackstone Real Estate Advisors, L.P. (1992 to 2015); Director, Blackstone Mortgage Trust, a real estate finance company (2012 to 2016); Director and Chairman of the Board, Brixmor Property Group, Inc. (2013 to present); Director, Hilton Worldwide (2007 to present); Director, Hudson Pacific Properties (2014 to 2016); Director, Invitation Homes (2014 to 2017); Director, JMB Realty Corporation (1980 to present)

^(a)All information about the independent directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

^(b)William J. Stromberg, president and chief executive officer of T. Rowe Price Group, Inc., the parent company of the Price Funds' investment advisor, has served on the Board of Trustees of Johns Hopkins University since 2014.

INTERESTED DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
David Oestreicher (1967) 2018 [190]	General Counsel, Vice President, and Secretary, T. Rowe Price Group, Inc.; Chairman of the Board, Chief Executive Officer, President, and Secretary, T. Rowe Price Trust Company; Director, Vice President, and Secretary, T. Rowe Price, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.; Vice President and Secretary, T. Rowe Price International; Vice President, T. Rowe Price Hong Kong (Price Hong Kong), T. Rowe Price Japan (Price Japan), and T. Rowe Price Singapore (Price Singapore); Principal Executive Officer and Executive Vice President, all funds
Robert W. Sharps, CFA, CPA (1971) 2017 [190]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company

^(a)All information about the interested directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

OFFICERS

Name (Year of Birth) Position Held With International Series	Principal Occupation(s)
Christopher D. Alderson (1962) President	Director and Vice President, T. Rowe Price International; Vice President, Price Hong Kong, Price Singapore, and T. Rowe Price Group, Inc.
Harishankar Balkrishna (1983) Vice President	Vice President, T. Rowe Price Group, Inc., and T. Rowe Price International
Sheena L. Barbosa (1983) Vice President	Vice President, Price Hong Kong and T. Rowe Price Group, Inc.
Darrell N. Braman (1963) Vice President	Vice President, Price Hong Kong, Price Singapore, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, T. Rowe Price Investment Services, Inc., and T. Rowe Price Services, Inc.
Richard N. Clattenburg, CFA (1979) Executive Vice President	Vice President, Price Japan, Price Singapore, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, and T. Rowe Price Trust Company
Alan S. Dupski, CPA (1982) Principal Financial Officer, Vice President, and Treasurer	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John R. Gilner (1961) Chief Compliance Officer	Chief Compliance Officer and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Investment Services, Inc.
Gary J. Greb (1961) Vice President	Vice President, T. Rowe Price, T. Rowe Price International, and T. Rowe Price Trust Company
Jai Kapadia (1982) Vice President	Vice President, Price Hong Kong and T. Rowe Price Group, Inc.
Paul J. Krug, CPA (1964) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Tobias F. Mueller, CFA (1980) Vice President	Vice President, T. Rowe Price Group, Inc., and T. Rowe Price International
Oluwaseun A. Oyegunle, CFA (1984) Vice President	Vice President, T. Rowe Price Group, Inc., and T. Rowe Price International

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

OFFICERS (CONTINUED)

Name (Year of Birth) Position Held With International Series	Principal Occupation(s)
Fran M. Pollack-Matz (1961) Vice President and Secretary	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Shannon H. Rauser (1987) Assistant Secretary	Assistant Vice President, T. Rowe Price
Sebastian Schrott (1977) Vice President	Vice President, T. Rowe Price Group, Inc., and T. Rowe Price International
Bin Shen, CFA (1987) Vice President	Vice President, T. Rowe Price International
Megan Warren (1968) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; formerly, Executive Director, JPMorgan Chase (to 2017)
Ernest C. Yeung, CFA (1979) Vice President	Director and Vice President, Price Hong Kong; Vice President, T. Rowe Price Group, Inc.

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

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T.RowePrice®

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Baltimore, MD 21202

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ANNUAL REPORT

December 31, 2020

T. ROWE PRICE

Mid-Cap Growth Portfolio

For more insights from T. Rowe Price investment professionals,
go to **[troweprice.com](https://www.troweprice.com)**.

HIGHLIGHTS

- The Mid-Cap Growth Portfolio delivered strong absolute returns in 2020 but underperformed the Russell Midcap Growth Index, which was led by “growth at any price” stocks that do not meet our investment criteria.
- Our information technology holdings surged nearly 44% on an overall basis, but our cautious positioning in this richly valued sector weighed on relative results.
- We continue to evaluate investments in light of their ability to outperform as the economy stabilizes, seeking opportunities in durable-growth companies that appear undervalued by the market.
- We have witnessed several previous cycles of market exuberance come to abrupt ends, and we are confident that our valuation-sensitive and risk-aware investment approach will help us continue to deliver solid long-term performance for our shareholders.

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It's convenient—access your important account documents whenever you need them.

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It can save you money—where applicable, T. Rowe Price passes on the cost savings to fund holders.*

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*Certain mutual fund accounts that are assessed an annual account service fee can also save money by switching to e-delivery.

Dear Investor

Nearly all major stock and bond indexes produced positive results during 2020 as markets recovered from the steep sell-off that resulted from the spread of the coronavirus. Extraordinary fiscal and monetary support from global governments and central banks helped spur the rebound, although the pandemic continued to pose significant public health and economic challenges as the year came to an end.

In the U.S., the large-cap Dow Jones Industrial Average and S&P 500 Index reached record highs, as did the technology-heavy Nasdaq Composite Index—a result that few would have predicted in late March after the benchmarks tumbled more than 30% as governments instituted lockdowns to try to halt the spread of the virus. Large-cap information technology and internet-related firms helped lead the rebound as they benefited from the work-from-home environment and an acceleration in demand for online services.

Within the S&P 500, the technology and consumer discretionary sectors were the top performers, and communication services and materials stocks also outperformed. Despite a late rally, the energy sector trailed with significant losses due to a plunge in oil prices.

Most equity markets outside the U.S. also performed well. Emerging markets outpaced developed markets, and Asian shares delivered strong results as China and other countries in the region proved relatively successful in containing the coronavirus.

Growth stocks significantly outpaced their value counterparts for the full year; however, value shares rallied late in the period. Positive vaccine news in November raised hopes for a return to normalcy in 2021 and boosted sectors that had been beaten down in the initial phases of the pandemic.

Within the fixed income universe, corporate bonds delivered strong results as the market easily absorbed a torrent of new issuance. After falling to record lows in March, intermediate- and longer-term Treasury yields ticked higher later in the year but remained very low by historical standards, a factor that encouraged investors to seek out riskier securities with higher return potential.

While investors had reason to cheer the market's recovery, the global economic outlook remained unclear as the year came to an end. Most notable on the positive side was the start of vaccine distributions, which provided hope that the pandemic was in its final phase. In addition, Congress passed a

\$900 billion coronavirus relief package, supplementing the \$2.4 trillion allocated to address the crisis earlier in the year, and the Fed continued to pledge very accommodative monetary policies for the foreseeable future. Meanwhile, political uncertainty diminished with Joe Biden's victory in the U.S. presidential election and the completion of a Brexit trade deal between the UK and the European Union.

On the negative side, concerns about a resurgence in virus hospitalizations led to new lockdowns and business restrictions in many countries, which in turn appeared to threaten economic recoveries. In the U.S., after a strong recovery in the summer and fall, the pace of hiring slowed late in the year, and household spending declined in November for the first time since April.

It was a remarkable 12-month period in many ways, but as far as markets are concerned, I can recall no calendar year that so starkly displayed evidence of both fear and greed. Fear emerged during the March sell-off and again in April as oil futures briefly traded in negative territory. Greed surfaced later as some assets seemed to continue to rally without fundamental support. Bitcoin rocketed to a record high of \$29,000 by year-end, and the amount of money raised by initial public offerings also climbed to historic levels. While valuations are still attractive in some areas of the market, other sectors appear to have already priced in a strong rebound in earnings and are trading at elevated levels.

There are both risks and potential rewards in this environment, and we believe strong fundamental analysis and skilled active security selection will remain critical components of investment success.

Thank you for your continued confidence in T. Rowe Price.

Sincerely,



Robert Sharps
Group Chief Investment Officer

INVESTMENT OBJECTIVE

The portfolio seeks to provide long-term capital appreciation by investing in mid-cap stocks with potential for above-average earnings growth.

FUND COMMENTARY

How did the fund perform in the past 12 months?

The Mid-Cap Growth Portfolio returned 23.80% for the 12 months ended December 31, 2020. The portfolio underperformed the Russell Midcap Growth Index, which returned 35.59%, and the return of its peer group, the Lipper Variable Annuity Underlying Mid-Cap Growth Funds Average, which rose 37.34%. (Returns for the Mid-Cap Growth Portfolio—II varied slightly due to a different fee structure. *Past performance cannot guarantee future results.*)

Periods Ended 12/31/20	Total Return	
	6 Months	12 Months
Mid-Cap Growth Portfolio	26.39%	23.80%
Mid-Cap Growth Portfolio—II	26.24	23.47
Russell Midcap Growth Index	30.18	35.59
Lipper Variable Annuity Underlying Mid-Cap Growth Funds Average	31.50	37.34

What factors influenced the fund's performance?

Despite the extreme challenges posed by the pandemic, many of our holdings performed remarkably well in 2020. Meaningful positions in **DocuSign**, which facilitates electronic agreements, and **IAC**, a media and internet conglomerate, more than doubled. The same was true of pharmaceuticals firm **Catalent**, which saw tremendous growth as the company expanded its biologics capacity to meet demand from both coronavirus-related and extrinsic biologics efforts. (Please refer to the portfolio of investments for a complete list of holdings and the amount each represents in the portfolio.)

Nevertheless, the sharp outperformance of “growth at any price” companies in the mid-cap space—names that we do not favor as risk-aware, valuation-sensitive growth investors—caused us to lag our benchmark in 2020. While market upheaval often leads to a change in market leadership, this was not the case during the period. Many high-flying names that led coming into the year outperformed in the sell-off and then continued their strong run in the recovery.

Although we enjoyed strong absolute returns in both sectors, information technology (IT) and health care were the largest detractors from relative results. Many fast-growing but expensive IT companies do not fit our investment framework, particularly in software and pockets of IT services and health care. As their valuations became even more extreme, a lack of exposure to such names hindered our relative performance. Stock selection in health care, particularly holdings in health care equipment and supplies, also weighed on relative returns. Delays in non-urgent medical care pressured shares of two of our key holdings, **Teleflex** and **Cooper Companies**. While both companies must continue to navigate near-term headwinds, partially influenced by the pandemic, we believe them to be high-quality, durable-growth names that will add value over the longer term.

We enjoyed good results from positions in several consumer discretionary holdings, including auto parts company **Aptiv**, which benefited from growing demand for electric and hybrid vehicles and a sustained recovery in China's car market, and **Dunkin Brands**, which surged upon the announcement that the company agreed to be acquired by Inspire Brands at a premium valuation. Stock selection in this sector at the epicenter of the virus generally weighed on returns, however. **Norwegian Cruise Line Holdings** found itself in the crosshairs of the coronavirus pandemic and the persistent overhang of a “no sail” order. The company has made tremendous improvements in recent years and secured a dominant position within the cruising industry, but our evaluation of the extraordinary amount of stock dilution led us to eliminate the investment.

Conversely, an underweight allocation to the consumer staples sector contributed to relative performance. The sector underperformed the broader Russell Midcap Growth Index, and we have minimal exposure to the space, where few firms meet our growth criteria.

How is the fund positioned?

We continue to evaluate investments in light of their ability to return to normalized earnings and outperform as the economy stabilizes, seeking opportunities to add to durable-growth companies that we believe are reasonably valued. Some of our larger trades during the period occurred within health care, information technology, and consumer discretionary.

Health care was the largest sector allocation in absolute terms, and our exposure rose to slightly more than one-quarter of the portfolio's assets at year-end. We capitalized on opportunities to add to positions within biotechnology and life sciences tools and services over the period. We started a position in **Ionis Pharmaceuticals** and added to **Incyte**, both biotechnology companies trading at compelling valuations with promising drug pipelines that we believe can generate significant shareholder value over time. We initiated a position in **Quidel**, a diagnostic health care company that received federal emergency authorization for its rapid-response COVID-19 antigen test in May. Despite competition and vaccine-driven volatility, we think Quidel has solid growth prospects as it develops new rapid tests that should endure when COVID-19 testing begins to subside.

IT is the second-largest area of investment, but it remained our largest underweight versus the benchmark, as we have found the valuations of many of these names to be disconnected from their fundamentals. Nevertheless, we have found a few opportunities in companies trading at reasonable valuations, and we took new positions in **Citrix** and **KLA**. We think KLA will see rising demand for its process control capabilities as semiconductor makers produce higher volumes of smaller and more powerful processing chips. We eliminated financial technology companies **Fiserv** and **Fidelity National Information Services** from the portfolio and reduced our position in **Global Payments** after merger activity by all three pushed them into the large-cap space. Among software names, we eliminated **Workday** and reduced our position in DocuSign on strength.

Investing in the consumer discretionary space during a turbulent year for the sector required discipline and careful analysis. We started a position in e-commerce platform **Etsy**, which offers unique, artisan merchandise to consumers. While face mask demand was part of the reason for Etsy's accelerated growth in 2020, recent investments in business operations and data technology have enhanced the user experience and improved customer retention, both of which we expect to be critical long-term drivers for the company. We reinstated a position in **Chipotle** after its shares sold off with the restaurant industry in the first quarter. Chipotle's leadership in mobile ordering and established takeout and delivery capabilities have given it a clear advantage over peers reliant on in-person dining, and the company is well positioned to emerge stronger

and take share on the other side of the pandemic. Conversely, discount retailer **Ross Stores** came under pressure following mandated store closures due to virus-related restrictions. We took the opportunity to start a position in this well-run off-price retailer, which we believe will continue to take share from department stores as the economy recovers.

SECTOR DIVERSIFICATION

	Percent of Net Assets	
	6/30/20	12/31/20
Health Care	24.3%	26.0%
Information Technology	21.1	21.4
Industrials and Business Services	17.0	16.6
Consumer Discretionary	13.7	14.7
Financials	5.9	5.8
Materials	5.8	5.4
Communication Services	3.6	4.0
Consumer Staples	1.8	2.1
Utilities	1.4	1.3
Energy	1.3	0.2
Real Estate	0.0	0.0
Other and Reserves	4.1	2.5
Total	100.0%	100.0%

Historical weightings reflect current industry/sector classifications.

What is portfolio management's outlook?

Mid-cap stocks staged a huge comeback in 2020 after the first quarter's historic sell-off, aided in no small part by the Federal Reserve's extraordinary stimulus measures to shore up the virus-stricken U.S. economy. Although the Fed's emergency actions were intended to stabilize financial markets as the health crisis escalated in March, the backstop the Fed provided for Wall Street prolonged the disregard for risk that has driven the market's gains in recent years. Moreover, thanks to remote working and new consumer behaviors introduced by the pandemic, the virus pulled forward the growth of many companies, particularly in software. Valuations for many high-priced, aggressive-growth technology stocks have climbed to even more rarefied levels as a result, pushing the disconnect with their fundamentals to extreme levels.

Aggressive stimulus, interest rates near zero, and low inflation will not last forever, however. In our view, the inevitable disappearance of these tailwinds is not reflected in the rich growth expectations baked into many high-flying stocks. In our nearly three decades managing the portfolio, we have seen similar periods of complacency on Wall Street, and we believe there will again be a reckoning when these lofty expectations are met with harsh realities.

In the meantime, we continue to leverage our fundamental research platform to select high-quality, reasonably valued companies with durable growth prospects, experienced management, competitive advantages, and solid balance sheets. We are confident that our fundamental research and valuation-sensitive, risk-aware investment approach will help us continue delivering solid long-term performance for our shareholders.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

RISKS OF INVESTING IN THE FUND**PRINCIPAL RISKS**

As with any fund, there is no guarantee that the fund will achieve its objective(s). The fund's share price fluctuates, which means you could lose money by investing in the fund. The principal risks of investing in this fund, which may be even greater during periods of market disruption or volatility, are summarized as follows:

Market conditions. The value of the fund's investments may decrease, sometimes rapidly or unexpectedly, due to factors affecting an issuer held by the fund, particular industries, or the overall securities markets. A variety of factors can increase the volatility of the fund's holdings and markets generally, including political or regulatory developments, recessions, inflation, rapid interest rate changes, war or acts of terrorism, natural disasters, and outbreaks of infectious illnesses or other widespread public health issues. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others. These adverse developments may cause broad declines in market value due to short-term market movements or for significantly longer periods during more prolonged market downturns.

Mid-cap stocks. Investments in securities issued by mid-cap companies are likely to be more volatile than investments in securities issued by larger companies. Medium-sized companies may have less experienced management, narrower product lines, and less capital reserves and liquidity than larger companies, and are therefore more sensitive to economic, market, and industry changes.

Growth investing. The fund's growth approach to investing could cause it to underperform other stock funds that employ a different investment style. Growth stocks tend to be more volatile than certain other types of stocks and their prices may fluctuate more dramatically than the overall stock market. A stock with growth characteristics can have sharp price declines due to decreases in current or expected earnings and may lack dividends that can help cushion its share price in a declining market.

BENCHMARK INFORMATION

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TWENTY-FIVE LARGEST HOLDINGS

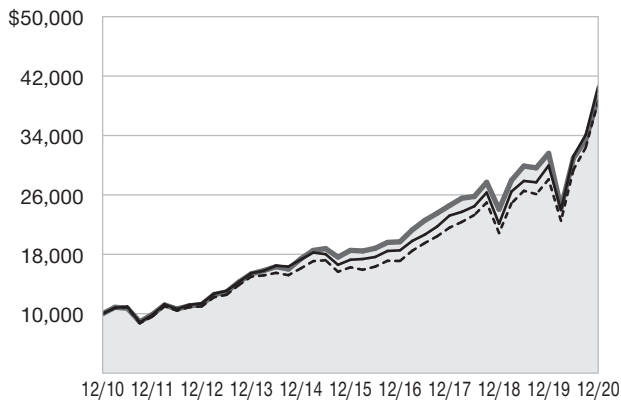
	Percent of Net Assets 12/31/20
Hologic	2.6%
Ball	2.3
Teleflex	2.3
Catalent	2.2
Microchip Technology	2.0
Match	1.9
Agilent Technologies	1.9
Ingersoll-Rand	1.7
Marvell Technology Group	1.7
Burlington Stores	1.5
Textron	1.5
Cooper Companies	1.5
Keysight Technologies	1.4
Bruker	1.4
DocuSign	1.3
IDEX	1.3
Aptiv	1.2
Dollar General	1.2
Clarivate	1.2
Hilton Worldwide Holdings	1.2
J.B. Hunt Transport Services	1.2
Verisk Analytics	1.1
Ceridian HCM Holding	1.1
TransUnion	1.1
FleetCor Technologies	1.1
Total	38.9%

Note: The information shown does not reflect any exchange-traded funds (ETFs), cash reserves, or collateral for securities lending that may be held in the portfolio.

GROWTH OF \$10,000

This chart shows the value of a hypothetical \$10,000 investment in the portfolio over the past 10 fiscal year periods or since inception (for portfolios lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from portfolio returns as well as mutual fund averages and indexes.

MID-CAP GROWTH PORTFOLIO



As of 12/31/20

— Mid-Cap Growth Portfolio	\$39,117
— Russell Midcap Growth Index	40,613
--- Lipper Variable Annuity Underlying Mid-Cap Growth Funds Average	38,642

Note: Performance for the II Class will vary due to its differing fee structure. See the Average Annual Compound Total Return table.

AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 12/31/20	1 Year	5 Years	10 Years
Mid-Cap Growth Portfolio	23.80%	16.12%	14.61%
Mid-Cap Growth Portfolio-II	23.47	15.83	14.33

The fund's performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please contact a T. Rowe Price representative at 1-800-469-6587 (financial advisors, or customers who have an advisor, should call 1-800-638-8790). Returns do not reflect taxes that the shareholder may pay on distributions or the redemption of shares. Total returns do not include charges imposed by your insurance company's separate account. If these had been included, performance would have been lower.

This table shows how the portfolio would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. When assessing performance, investors should consider both short- and long-term returns.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Shares of the fund are currently offered only through certain insurance companies as an investment medium for both variable annuity contracts and variable life insurance policies. Please note that the fund has two classes of shares: the original share class and II Class. II Class shares are sold through financial intermediaries, which are compensated for distribution, shareholder servicing, and/or certain administrative services under a Board-approved Rule 12b-1 plan.

Actual Expenses

The first line of the following table (Actual) provides information about actual account values and actual expenses. You may use the information on this line, together with your account balance, 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 on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other 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.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

FUND EXPENSE EXAMPLE (CONTINUED)**MID-CAP GROWTH PORTFOLIO**

	Beginning Account Value 7/1/20	Ending Account Value 12/31/20	Expenses Paid During Period* 7/1/20 to 12/31/20
Mid-Cap Growth Portfolio			
Actual	\$1,000.00	\$1,263.90	\$4.78
Hypothetical (assumes 5% return before expenses)	1,000.00	1,020.91	4.27
Mid-Cap Growth Portfolio-II			
Actual	1,000.00	1,262.40	6.20
Hypothetical (assumes 5% return before expenses)	1,000.00	1,019.66	5.53

* Expenses are equal to the fund's annualized expense ratio for the 6-month period, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184), and divided by the days in the year (366) to reflect the half-year period. The annualized expense ratio of the Mid-Cap Growth Portfolio was 0.84%, and the Mid-Cap Growth Portfolio-II was 1.09%.

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Mid-Cap Growth Portfolio Class

	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE					
Beginning of period	\$ 28.88	\$ 23.70	\$ 28.25	\$ 25.57	\$ 25.70
Investment activities					
Net investment income (loss) ⁽¹⁾⁽²⁾	(0.05)	0.03	0.01	(0.04)	(0.03)
Net realized and unrealized gain / loss	6.92	7.36	(0.54)	6.39	1.66
Total from investment activities	6.87	7.39	(0.53)	6.35	1.63
Distributions					
Net investment income	-	(0.04)	-	-	-
Net realized gain	(2.28)	(2.17)	(4.02)	(3.67)	(1.76)
Total distributions	(2.28)	(2.21)	(4.02)	(3.67)	(1.76)
NET ASSET VALUE					
End of period	\$ 33.47	\$ 28.88	\$ 23.70	\$ 28.25	\$ 25.57

Ratios/Supplemental Data

Total return⁽²⁾ (3)	23.80%	31.29%	(2.03)%	24.77%	6.26%
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates ⁽⁴⁾	0.85%	0.85%	0.85%	0.85%	0.85%
Net expenses after waivers/payments by Price Associates	0.84%	0.84%	0.85%	0.85%	0.85%
Net investment income (loss)	(0.18)%	0.12%	0.05%	(0.13)%	(0.11)%
Portfolio turnover rate	26.1%	22.1%	24.6%	24.7%	28.9%
Net assets, end of period (in thousands)	\$ 536,629	\$ 474,038	\$ 379,884	\$ 411,412	\$ 353,074

⁽¹⁾ Per share amounts calculated using average shares outstanding method.⁽²⁾ See Note 5 for details of expense-related arrangements with Price Associates.⁽³⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.⁽⁴⁾ See Note 5. Prior to 12/31/19, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

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

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Mid-Cap Growth Portfolio - II Class

	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE					
Beginning of period	\$ 27.41	\$ 22.58	\$ 27.11	\$ 24.65	\$ 24.85
Investment activities					
Net investment loss ⁽¹⁾⁽²⁾	(0.12)	(0.03)	(0.06)	(0.11)	(0.09)
Net realized and unrealized gain / loss	6.55	7.00	(0.52)	6.15	1.61
Total from investment activities	6.43	6.97	(0.58)	6.04	1.52
Distributions					
Net realized gain	(2.21)	(2.14)	(3.95)	(3.58)	(1.72)
NET ASSET VALUE					
End of period	\$ 31.63	\$ 27.41	\$ 22.58	\$ 27.11	\$ 24.65

Ratios/Supplemental Data

Total return⁽²⁾⁽³⁾	23.47%	30.98%	(2.30)%	24.44%	6.03%
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates ⁽⁴⁾	1.10%	1.10%	1.10%	1.10%	1.10%
Net expenses after waivers/payments by Price Associates	1.09%	1.09%	1.10%	1.10%	1.10%
Net investment loss	(0.43)%	(0.13)%	(0.20)%	(0.38)%	(0.36)%
Portfolio turnover rate	26.1%	22.1%	24.6%	24.7%	28.9%
Net assets, end of period (in thousands)	\$ 61,897	\$ 56,450	\$ 44,782	\$ 52,926	\$ 54,691

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 5 for details of expense-related arrangements with Price Associates.

⁽³⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

⁽⁴⁾ See Note 5. Prior to 12/31/19, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

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

December 31, 2020

PORTFOLIO OF INVESTMENTS [†]	Shares	\$ Value
---------------------------------------	--------	----------

(Cost and value in \$000s)

COMMON STOCKS 97.0%**COMMUNICATION SERVICES 4.0%****Entertainment 1.4%**

Spotify Technology (1)	16,000	5,035
Zynga, Class A (1)	361,000	3,563
		8,598

Interactive Media & Services 2.6%

IAC/InterActiveCorp (1)	19,469	3,686
Match Group (1)	77,000	11,642
		15,328
Total Communication Services		23,926

CONSUMER DISCRETIONARY 14.2%**Auto Components 1.2%**

Aptiv	56,000	7,296
		7,296

Diversified Consumer Services 1.2%

Bright Horizons Family Solutions (1)	4,000	692
Terminix Global Holdings (1)	121,000	6,172
		6,864

Hotels, Restaurants & Leisure 4.7%

Airbnb, Class A (1)	2,631	386
Chipotle Mexican Grill (1)	3,500	4,854
Domino's Pizza	5,000	1,917
DraftKings, Class A (1)	31,000	1,443
Hilton Worldwide Holdings	63,000	7,010
Marriott International, Class A	22,000	2,902
MGM Resorts International	159,000	5,010
Vail Resorts	16,000	4,464
		27,986

Internet & Direct Marketing Retail 1.2%

DoorDash, Class A (1)	2,115	302
DoorDash, Class A, Acquisition Date: 6/17/20, Cost \$189 (1)(2)	4,110	557
Etsy (1)	24,000	4,270

	Shares	\$ Value
--	--------	----------

(Cost and value in \$000s)

Farfetch, Class A (1)	32,000	2,042
		7,171

Multiline Retail 2.1%

Dollar General	34,000	7,150
Dollar Tree (1)	52,000	5,618
		12,768

Specialty Retail 3.2%

Burlington Stores (1)	35,000	9,154
Five Below (1)	9,000	1,575
O'Reilly Automotive (1)	11,000	4,978
Ross Stores	28,000	3,439
		19,146

Textiles, Apparel & Luxury Goods 0.6%

Lululemon Athletica (1)	3,000	1,044
VF	31,000	2,648
		3,692

Total Consumer Discretionary		84,923
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CONSUMER STAPLES 2.1%**Beverages 0.2%**

Boston Beer, Class A (1)	1,000	994
		994

Food & Staples Retailing 1.2%

Casey's General Stores	36,000	6,430
Sprouts Farmers Market (1)	28,000	563
		6,993

Food Products 0.4%

TreeHouse Foods (1)	61,000	2,592
		2,592

Household Products 0.3%

Reynolds Consumer Products	63,000	1,893
		1,893
Total Consumer Staples		12,472

	Shares	\$ Value
(Cost and value in \$000s)		
ENERGY 0.2%		
Oil, Gas & Consumable Fuels 0.2%		
Venture Global LNG, Series B, Acquisition Date: 3/8/18, Cost \$60 (1)(2)(3)	20	111
Venture Global LNG, Series C, Acquisition Date: 10/16/17 - 3/8/18, Cost \$511 (1)(2)(3)	139	774
Total Energy		885
FINANCIALS 5.8%		
Banks 0.4%		
Webster Financial	65,000	2,740
		2,740
Capital Markets 3.5%		
Cboe Global Markets	55,000	5,122
KKR	112,000	4,535
MarketAxess Holdings	6,000	3,423
Pershing Square Tontine Holdings, Class A (1)	59,000	1,635
Pershing Square Tontine Holdings, Class A, Warrants, 7/24/21 (1)	6,567	63
Raymond James Financial	19,000	1,818
Tradeweb Markets, Class A	71,000	4,434
		21,030
Diversified Financial Services 0.2%		
Social Finance, Acquisition Date: 12/30/20, Cost \$1,187 (1)(2)(3)	64,381	1,187
		1,187
Insurance 1.7%		
Assurant	32,000	4,359
Axis Capital Holdings	60,000	3,023
GoHealth, Class A (1)	42,000	574
Kemper	19,000	1,460
Selectquote (1)	27,000	560
		9,976
Total Financials		34,933

	Shares	\$ Value
(Cost and value in \$000s)		
HEALTH CARE 26.0%		
Biotechnology 5.1%		
ACADIA Pharmaceuticals (1)	6,000	321
Alkermes (1)	119,000	2,374
Alnylam Pharmaceuticals (1)	19,000	2,469
Argenx, ADR (1)	12,000	3,529
Ascendis Pharma, ADR (1)	7,000	1,167
Exact Sciences (1)	26,329	3,488
Exelixis (1)	19,184	385
Incyte (1)	56,000	4,871
Ionis Pharmaceuticals (1)	59,000	3,336
Neurocrine Biosciences (1)	23,000	2,205
Seagen (1)	28,000	4,904
Ultragenyx Pharmaceutical (1)	11,000	1,523
		30,572
Health Care Equipment & Supplies 9.5%		
Alcon (1)	53,000	3,497
Align Technology (1)	5,000	2,672
Cooper	25,000	9,083
DENTSPLY SIRONA	27,000	1,414
Hologic (1)	213,000	15,513
ICU Medical (1)	13,000	2,788
IDEXX Laboratories (1)	6,000	2,999
Jand, Class A, Acquisition Date: 11/19/20, Cost \$29 (1)(2)(3)	1,192	29
Quidel (1)	12,000	2,156
Teleflex	33,000	13,582
West Pharmaceutical Services	11,000	3,116
		56,849
Health Care Providers & Services 0.9%		
Acadia Healthcare (1)	81,000	4,071
Molina Healthcare (1)	8,000	1,702
		5,773
Health Care Technology 1.4%		
Multiplan (1)	241,000	1,926
Veeva Systems, Class A (1)	24,000	6,534
		8,460

	Shares	\$ Value
(Cost and value in \$000s)		
Life Sciences Tools & Services 5.6%		
Agilent Technologies	95,000	11,256
Avantor (1)	228,000	6,418
Bruker	153,000	8,282
PPD (1)	46,000	1,574
PRA Health Sciences (1)	47,000	5,896
		33,426
Pharmaceuticals 3.5%		
Catalent (1)	126,000	13,113
Elanco Animal Health (1)	132,000	4,048
Perrigo	80,000	3,578
		20,739
Total Health Care		155,819
INDUSTRIALS & BUSINESS SERVICES 16.6%		
Aerospace & Defense 2.2%		
BWX Technologies	67,000	4,039
Textron	189,000	9,134
		13,173
Airlines 0.4%		
Alaska Air Group	47,000	2,444
		2,444
Commercial Services & Supplies 0.4%		
Waste Connections	23,000	2,359
		2,359
Electrical Equipment 0.5%		
Array Technologies (1)	71,000	3,063
		3,063
Industrial Conglomerates 0.9%		
Roper Technologies	12,000	5,173
		5,173
Machinery 4.7%		
Colfax (1)	132,000	5,048
Fortive	76,000	5,382
IDEX	39,000	7,769

	Shares	\$ Value
(Cost and value in \$000s)		
Ingersoll Rand (1)	220,000	10,023
		28,222
Professional Services 6.3%		
Clarivate (1)	240,000	7,130
CoStar Group (1)	7,000	6,470
Dun & Bradstreet Holdings (1)	62,000	1,544
Equifax	30,000	5,785
IHS Markit	39,000	3,503
TransUnion	67,000	6,648
Verisk Analytics	33,000	6,851
		37,931
Road & Rail 1.2%		
JB Hunt Transport Services	51,000	6,969
		6,969
Total Industrials & Business Services		99,334
INFORMATION TECHNOLOGY 21.4%		
Electronic Equipment, Instruments & Components 3.6%		
Amphenol, Class A	19,000	2,485
Cognex	19,000	1,525
Corning	128,000	4,608
Keysight Technologies (1)	63,000	8,322
National Instruments	98,000	4,306
		21,246
IT Services 3.4%		
Black Knight (1)	59,000	5,212
Broadridge Financial Solutions	16,000	2,451
FleetCor Technologies (1)	24,000	6,548
Global Payments	9,000	1,939
Leidos Holdings	16,000	1,682
WEX (1)	11,000	2,239
		20,071
Semiconductors & Semiconductor Equipment 8.2%		
Entegris	49,000	4,709
Inphi (1)	17,000	2,728
KLA	20,000	5,178
Marvell Technology Group	208,000	9,888
Maxim Integrated Products	71,000	6,294

	Shares	\$ Value
(Cost and value in \$000s)		
Microchip Technology	88,000	12,154
Skyworks Solutions	31,000	4,739
Xilinx	24,000	3,403
		49,093
Software 6.2%		
Atlassian, Class A (1)	21,000	4,911
Bentley Systems, Class B	9,263	375
Bill.com Holdings (1)	10,000	1,365
Ceridian HCM Holding (1)	63,000	6,713
Citrix Systems	25,000	3,253
CrowdStrike Holdings, Class A (1)	14,000	2,965
DocuSign (1)	36,000	8,003
Five9 (1)	8,000	1,395
nCino (1)	6,000	434
Procore Technologies, Acquisition Date: 7/15/20 - 12/9/20, Cost \$203 (1)(2)(3)	3,597	227
PTC (1)	9,000	1,077
Splunk (1)	27,000	4,587
SS&C Technologies Holdings	28,000	2,037
		37,342
Total Information Technology		127,752
MATERIALS 5.4%		
Chemicals 0.5%		
RPM International	31,000	2,814
		2,814
Construction Materials 0.3%		
Martin Marietta Materials	6,000	1,704
		1,704
Containers & Packaging 4.1%		
Avery Dennison	31,000	4,808
Ball	150,000	13,977
Packaging Corp. of America	15,000	2,069
Sealed Air	88,000	4,030
		24,884

	Shares	\$ Value
(Cost and value in \$000s)		
Metals & Mining 0.5%		
Kirkland Lake Gold	74,000	3,054
		3,054
Total Materials		32,456
REAL ESTATE 0.0%		
Real Estate Management & Development 0.0%		
WeWork, Class A, Acquisition Date: 5/26/15, Cost \$54 (1)(2)(3)	3,835	0
Total Real Estate		0
UTILITIES 1.3%		
Electric Utilities 0.2%		
Eversource Energy	17,000	1,470
		1,470
Multi-Utilities 1.1%		
Ameren	24,000	1,874
Sempra Energy	35,000	4,459
		6,333
Total Utilities		7,803
Total Common Stocks (Cost \$314,102)		580,303
CONVERTIBLE PREFERRED STOCKS 0.5%		
CONSUMER DISCRETIONARY 0.5%		
Automobiles 0.3%		
Rivian Automotive, Series D, Acquisition Date: 12/23/19, Cost \$921 (1)(2)(3)	85,735	1,361
Rivian Automotive, Series E, Acquisition Date: 7/10/20, Cost \$507 (1)(2)(3)	32,721	520
		1,881
Internet & Direct Marketing Retail 0.2%		
Rooffoods, Series F, Acquisition Date: 9/12/17, Cost \$662 (1)(2)(3)	1,871	1,203

	Shares	\$ Value
(Cost and value in \$000s)		
Roofoods, Series G, Acquisition		
Date: 5/16/19, Cost \$21		
(1)(2)(3)	51	33
		1,236
Total Consumer Discretionary		3,117
HEALTH CARE 0.0%		
Health Care Equipment & Supplies 0.0%		
Jand, Series B, Acquisition Date:		
11/19/20, Cost \$- (1)(2)(3)	3	—
Jand, Series AA, Acquisition		
Date: 11/19/20, Cost \$60		
(1)(2)(3)	2,467	61
Total Health Care		61
INFORMATION TECHNOLOGY 0.0%		
Software 0.0%		
Procore Technologies, Series B,		
Acquisition Date: 7/15/20,		
Cost \$40 (1)(2)(3)	892	56
Total Information Technology		56

	Shares	\$ Value
(Cost and value in \$000s)		
REAL ESTATE 0.0%		
Real Estate Management & Development 0.0%		
WeWork, Series D-1, Acquisition		
Date: 12/9/14, Cost \$362		
(1)(2)(3)	21,721	0
WeWork, Series D-2, Acquisition		
Date: 12/9/14, Cost \$284		
(1)(2)(3)	17,066	0
Total Real Estate		0
Total Convertible Preferred Stocks		
(Cost \$2,857)		3,234
SHORT-TERM INVESTMENTS 2.4%		
MONEY MARKET FUNDS 2.4%		
T. Rowe Price Treasury Reserve		
Fund, 0.08% (4)(5)	14,427,870	14,428
Total Short-Term Investments		
(Cost \$14,428)		14,428
Total Investments in Securities		
99.9% of Net Assets (Cost \$331,387)	\$	597,965

- ‡ Shares are denominated in U.S. dollars unless otherwise noted.
- (1) Non-income producing
- (2) Security cannot be offered for public resale without first being registered under the Securities Act of 1933 and related rules ("restricted security"). Acquisition date represents the day on which an enforceable right to acquire such security is obtained and is presented along with related cost in the security description. The fund has registration rights for certain restricted securities. Any costs related to such registration are borne by the issuer. The aggregate value of restricted securities (excluding 144A holdings) at period-end amounts to \$6,119 and represents 1.0% of net assets.
- (3) See Note 2. Level 3 in fair value hierarchy.
- (4) Affiliated Companies
- (5) Seven-day yield
- ADR American Depositary Receipts

Affiliated Companies

(\$000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company that is under common ownership or control. The following securities were considered affiliated companies for all or some portion of the year ended December 31, 2020. Net realized gain (loss), investment income, change in net unrealized gain/loss, and purchase and sales cost reflect all activity for the period then ended.

Affiliate	Net Realized Gain (Loss)	Change in Net Unrealized Gain/Loss	Investment Income
T. Rowe Price Treasury Reserve Fund	\$ — [#]	\$ —	\$ 113 ⁺

Supplementary Investment Schedule

Affiliate	Value 12/31/19	Purchase Cost	Sales Cost	Value 12/31/20
T. Rowe Price Treasury Reserve Fund	\$ 25,640	□	□	\$ 14,428 [^]

[#] Capital gain distributions from mutual funds represented \$0 of the net realized gain (loss).

⁺ Investment income comprised \$113 of dividend income and \$0 of interest income.

□ Purchase and sale information not shown for cash management funds.

[^] The cost basis of investments in affiliated companies was \$14,428.

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

December 31, 2020

STATEMENT OF ASSETS AND LIABILITIES

(\$000s, except shares and per share amounts)

Assets

Investments in securities, at value (cost \$331,387)	\$ 597,965
Receivable for investment securities sold	1,739
Dividends receivable	122
Receivable for shares sold	13
Total assets	<u>599,839</u>

Liabilities

Payable for investment securities purchased	596
Investment management and administrative fees payable	467
Payable for shares redeemed	250
Total liabilities	<u>1,313</u>

NET ASSETS	\$ <u>598,526</u>
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Net Assets Consist of:

Total distributable earnings (loss)	\$ 282,440
Paid-in capital applicable to 17,991,542 shares of \$0.0001 par value capital stock outstanding; 1,000,000,000 shares of the Corporation authorized	<u>316,086</u>

NET ASSETS	\$ <u>598,526</u>
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NET ASSET VALUE PER SHARE

Mid-Cap Growth Portfolio Class (\$536,629,354 / 16,034,510 shares outstanding)	\$ <u>33.47</u>
Mid-Cap Growth Portfolio - II Class (\$61,896,912 / 1,957,032 shares outstanding)	\$ <u>31.63</u>

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

STATEMENT OF OPERATIONS

(\$000s)

	Year Ended 12/31/20
Investment Income (Loss)	
Dividend income	\$ 3,347
Expenses	
Investment management and administrative expense	4,324
Rule 12b-1 fees - Mid-Cap Growth Portfolio - II Class	131
Waived / paid by Price Associates	(51)
Net expenses	4,404
Net investment loss	(1,057)
Realized and Unrealized Gain / Loss	
Net realized gain on securities	51,730
Change in net unrealized gain/loss on securities	64,173
Net realized and unrealized gain / loss	115,903
INCREASE IN NET ASSETS FROM OPERATIONS	\$ 114,846

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

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	Year Ended 12/31/20	12/31/19
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	\$ (1,057)	\$ 473
Net realized gain	51,730	40,477
Change in net unrealized gain / loss	64,173	89,370
Increase in net assets from operations	114,846	130,320
Distributions to shareholders		
Net earnings		
Mid-Cap Growth Portfolio Class	(34,473)	(33,681)
Mid-Cap Growth Portfolio - II Class	(4,024)	(4,011)
Decrease in net assets from distributions	(38,497)	(37,692)
Capital share transactions*		
Shares sold		
Mid-Cap Growth Portfolio Class	27,276	23,936
Mid-Cap Growth Portfolio - II Class	9,741	8,249
Distributions reinvested		
Mid-Cap Growth Portfolio Class	34,473	33,681
Mid-Cap Growth Portfolio - II Class	4,024	4,011
Shares redeemed		
Mid-Cap Growth Portfolio Class	(68,018)	(46,535)
Mid-Cap Growth Portfolio - II Class	(15,807)	(10,148)
Increase (decrease) in net assets from capital share transactions	(8,311)	13,194
Net Assets		
Increase during period	68,038	105,822
Beginning of period	530,488	424,666
End of period	\$ 598,526	\$ 530,488

*Share information

Shares sold		
Mid-Cap Growth Portfolio Class	958	855
Mid-Cap Growth Portfolio - II Class	373	308
Distributions reinvested		
Mid-Cap Growth Portfolio Class	1,032	1,180
Mid-Cap Growth Portfolio - II Class	127	148
Shares redeemed		
Mid-Cap Growth Portfolio Class	(2,369)	(1,650)
Mid-Cap Growth Portfolio - II Class	(603)	(379)
Increase (decrease) in shares outstanding	(482)	462

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

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price Equity Series, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The Mid-Cap Growth Portfolio (the fund) is a diversified, open-end management investment company established by the corporation. The fund seeks to provide long-term capital appreciation by investing in mid-cap stocks with potential for above-average earnings growth. Shares of the fund currently are offered only to insurance company separate accounts established for the purpose of funding variable annuity contracts and variable life insurance policies. The fund has two classes of shares: the Mid-Cap Growth Portfolio (Mid-Cap Growth Portfolio Class) and the Mid-Cap Growth Portfolio-II (Mid-Cap Growth Portfolio-II Class). Mid-Cap Growth Portfolio-II Class shares are sold through financial intermediaries, which it compensates for distribution, shareholder servicing, and/or certain administrative services under a Board-approved Rule 12b-1 plan. Each class has exclusive voting rights on matters related solely to that class; separate voting rights on matters that relate to both classes; and, in all other respects, the same rights and obligations as the other class.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Investment Transactions, Investment Income, and Distributions Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from mutual fund investments are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared and paid by each class annually. A capital gain distribution may also be declared and paid by the fund annually.

Class Accounting Investment income, investment management and administrative expense, and realized and unrealized gains and losses are allocated to the classes based upon the relative daily net assets of each class. Mid-Cap Growth Portfolio-II Class pays Rule 12b-1 fees, in an amount not exceeding 0.25% of the class's average daily net assets.

Capital Transactions Each investor's interest in the net assets of the fund is represented by fund shares. The fund's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET; each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. Purchases and redemptions of fund shares are transacted at the next-computed NAV per share, after receipt of the transaction order by T. Rowe Price Associates, Inc., or its agents.

Indemnification In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

NOTE 2 - VALUATION

Fair Value The fund's financial instruments are valued at the close of the NYSE and are reported at fair value, which GAAP defines 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. The T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures and approves all fair value determinations. Specifically, the Valuation Committee establishes policies and procedures used in valuing financial instruments, including those which cannot be valued in accordance with normal

procedures or using pricing vendors; determines pricing techniques, sources, and persons eligible to effect fair value pricing actions; evaluates the services and performance of the pricing vendors; oversees the pricing process to ensure policies and procedures are being followed; and provides guidance on internal controls and valuation-related matters. The Valuation Committee provides periodic reporting to the Board on valuation matters.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs (including the fund's own assumptions in determining fair value)

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. When multiple inputs are used to derive fair value, the financial instrument is assigned to the level within the fair value hierarchy based on the lowest-level input that is significant to the fair value of the financial instrument. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

Valuation Techniques Equity securities, including exchange-traded funds, listed or regularly traded on a securities exchange or in the over-the-counter (OTC) market are valued at the last quoted sale price or, for certain markets, the official closing price at the time the valuations are made. OTC Bulletin Board securities are valued at the mean of the closing bid and asked prices. A security that is listed or traded on more than one exchange is valued at the quotation on the exchange determined to be the primary market for such security. Listed securities not traded on a particular day are valued at the mean of the closing bid and asked prices for domestic securities.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value.

Investments for which market quotations or market-based valuations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Committee, in accordance with fair valuation policies and procedures. The objective of any fair value pricing determination is to arrive at a price that could reasonably be expected from a current sale. Financial instruments fair valued by the Valuation Committee are primarily private placements, restricted securities, warrants, rights, and other securities that are not publicly traded. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Committee typically will afford greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Committee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; discounted cash flows; yield to maturity; or some combination. Fair value determinations are reviewed on a regular basis and updated as information becomes available, including actual purchase and sale transactions of the investment. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions, and fair value prices determined by the Valuation Committee could differ from those of other market participants.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on December 31, 2020 (for further detail by category, please refer to the accompanying Portfolio of Investments):

(\$000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Common Stocks	\$ 577,418	\$ 557	\$ 2,328	\$ 580,303
Convertible Preferred Stocks	—	—	3,234	3,234
Short-Term Investments	14,428	—	—	14,428
Total	\$ 591,846	\$ 557	\$ 5,562	\$ 597,965

NOTE 3 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Restricted Securities The fund invests in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

Other Purchases and sales of portfolio securities other than short-term securities aggregated \$128,397,000 and \$167,600,000, respectively, for the year ended December 31, 2020.

NOTE 4 - FEDERAL INCOME TAXES

Generally, no provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund's tax returns are subject to examination by the 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.

Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The permanent book/tax adjustments have no impact on results of operations or net assets and relate primarily to the offset of the current net operating loss against realized gains.

Distributions during the years ended December 31, 2020 and December 31, 2019, were characterized for tax purposes as follows:

(\$000s)	December 31,	
	2020	2019
Ordinary income	\$ 1,228	\$ 1,580
Long-term capital gain	37,269	36,112
Total distributions	\$ 38,497	\$ 37,692

At December 31, 2020, the tax-basis cost of investments and components of net assets were as follows:

(\$000s)		
Cost of investments	\$	332,237
Unrealized appreciation	\$	271,346
Unrealized depreciation		(5,618)
Net unrealized appreciation (depreciation)		265,728
Undistributed ordinary income		2,368
Undistributed long-term capital gain		14,344
Paid-in capital		316,086
Net assets	\$	598,526

The difference between book-basis and tax-basis net unrealized appreciation (depreciation) is attributable to the deferral of losses from wash sales for tax purposes.

NOTE 5 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management and administrative agreement between the fund and Price Associates provides for an all-inclusive annual fee equal to 0.85% of the fund's average daily net assets. The fee is computed daily and paid monthly. The all-inclusive fee covers investment management services and ordinary, recurring operating expenses but does not cover interest expense; expenses related to borrowing, taxes, and brokerage; or nonrecurring expenses. Effective July 1, 2018, Price Associates has contractually agreed, at least through April 30, 2021, to waive a portion of its management fee in order to limit the fund's management fee to 0.84% of the fund's average daily net assets. Thereafter, this agreement automatically renews for one-year terms unless terminated or modified by the fund's Board. Fees waived and expenses paid under this agreement are not subject to reimbursement to Price Associates by the fund. The total management fees waived were \$51,000 and allocated ratably in the amounts of \$46,000 for the Mid-Cap Growth Portfolio Class and \$5,000 for Mid-Cap Growth Portfolio - II Class, respectively, for the year ended December 31, 2020.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds, or the T. Rowe Price Short-Term Fund, a short-term bond fund (collectively, the Price Reserve Funds). The Price Reserve Funds are offered as short-term investment options to mutual funds, trusts, and other accounts managed by Price Associates or its affiliates and are not available for direct purchase by members of the public. Cash collateral from securities lending is invested in the T. Rowe Price Short-Term Fund. The Price Reserve Funds pay no investment management fees.

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the year ended December 31, 2020, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

Effective January 1, 2020, Price Associates has voluntarily agreed to reimburse the fund from its own resources on a monthly basis for the cost of investment research embedded in the cost of the fund's securities trades. This agreement may be rescinded at any time. For the year ended December 31, 2020, this reimbursement amounted to \$11,000, which is included in Net realized gain (loss) on Securities in the Statement of Operations.

NOTE 6 - OTHER MATTERS

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which a fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks. During 2020, a novel strain of coronavirus (COVID-19) resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

These types of events, such as the global pandemic caused by COVID-19, may also cause widespread fear and uncertainty, and result in, among other things: enhanced health screenings, quarantines, cancellations, and travel restrictions, including border closings; disruptions to business operations, supply chains and customer activity; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; reductions in consumer demand and economic output; and significant challenges in healthcare service preparation and delivery. The fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of the fund, its investment advisers, and the fund's service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operational systems, extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies.

Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets. The impact of this outbreak has adversely affected the economies of many nations and the entire global economy and may impact individual issuers and capital markets in ways that cannot be foreseen. Other infectious illness outbreaks that may arise in the future could have similar or other unforeseen effects. The duration of this outbreak or others and their effects cannot be determined with certainty.

Report of Independent Registered Public Accounting Firm

**To the Board of Directors of T. Rowe Price Equity Series, Inc.
and Shareholders of T. Rowe Price Mid-Cap Growth Portfolio**

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price Mid-Cap Growth Portfolio (one of the portfolios constituting T. Rowe Price Equity Series, Inc., referred to hereafter as the “Fund”) as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Baltimore, Maryland
February 9, 2021

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

TAX INFORMATION (UNAUDITED) FOR THE TAX YEAR ENDED 12/31/20

We are providing this information as required by the Internal Revenue Code. The amounts shown may differ from those elsewhere in this report because of differences between tax and financial reporting requirements.

The fund's distributions to shareholders included:

- \$1,228,000 from short-term capital gains.
- \$37,269,000 from long-term capital gains, subject to a long-term capital gains tax rate of not greater than 20%.

For taxable non-corporate shareholders, \$3,238,000 of the fund's income represents qualified dividend income subject to a long-term capital gains tax rate of not greater than 20%.

For corporate shareholders, \$2,871,000 of the fund's income qualifies for the dividends-received deduction.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds and portfolios to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

<https://www.troweprice.com/corporate/en/utility/policies.html>

Scroll down to the section near the bottom of the page that says, "Proxy Voting Policies." Click on the Proxy Voting Policies link in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

Effective for reporting periods on or after March 1, 2019, a fund, except a money market fund, files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. Prior to March 1, 2019, a fund, including a money market fund, filed a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. A money market fund files detailed month-end portfolio holdings information on Form N-MFP with the SEC each month and posts a complete schedule of portfolio holdings on its website (troweprice.com) as of each month-end for the previous six months. A fund's Forms N-PORT, N-MFP, and N-Q are available electronically on the SEC's website (sec.gov).

ABOUT THE PORTFOLIO'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund's officers, who are listed in the final table. At least 75% of the Board's members are considered to be independent, i.e., not "interested persons" as defined in Section 2(a)(19) of the 1940 Act, of the Boards of T. Rowe Price Associates, Inc. (T. Rowe Price), and its affiliates; "interested" directors and officers are employees of T. Rowe Price. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

INDEPENDENT DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
Teresa Bryce Bazemore (1959) 2018 [190]	President, Radian Guaranty (2008 to 2017); Chief Executive Officer, Bazemore Consulting LLC (2018 to present); Director, Chimera Investment Corporation (2017 to present); Director, First Industrial Realty Trust (2020 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to 2019)
Ronald J. Daniels (1959) 2018 [190]	President, The Johns Hopkins University ^(b) and Professor, Political Science Department, The Johns Hopkins University (2009 to present); Director, Lyndhurst Holdings (2015 to present); Director, BridgeBio Pharma, Inc. (2020 to present)
Bruce W. Duncan (1951) 2013 [190]	President, Chief Executive Officer, and Director, CyrusOne, Inc. (2020 to present); Chief Executive Officer and Director (2009 to 2016), Chairman of the Board (2016 to 2020), and President (2009 to 2016), First Industrial Realty Trust, owner and operator of industrial properties; Chairman of the Board (2005 to 2016) and Director (1999 to 2016), Starwood Hotels & Resorts, a hotel and leisure company; Member, Investment Company Institute Board of Governors (2017 to 2019); Member, Independent Directors Council Governing Board (2017 to 2019); Senior Advisor, KKR (2018 to present); Director, Boston Properties (2016 to present); Director, Marriott International, Inc. (2016 to 2020)
Robert J. Gerrard, Jr. (1952) 2012 [190]	Advisory Board Member, Pipeline Crisis/Winning Strategies, a collaborative working to improve opportunities for young African Americans (1997 to 2016); Chairman of the Board, all funds (since July 2018)
Paul F. McBride (1956) 2013 [190]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)
Cecilia E. Rouse, Ph.D. (1963) 2012 [190]	Dean, Princeton School of Public and International Affairs (2012 to present); Professor and Researcher, Princeton University (1992 to present); Director of Education Studies Committee, MDRC, a nonprofit education and social policy research organization (2011 to 2020); Member, National Academy of Education (2010 to present); Board Member, National Bureau of Economic Research (2011 to present); Board Member of the Council on Foreign Relations (2018 to present); Board Member, The Pennington School (2017 to present); Board Member, the University of Rhode Island (2020 to present); Chair of Committee on the Status of Minority Groups in the Economic Profession of the American Economic Association (2012 to 2018); Vice President (2015 to 2016) and Board Member (2018 to present), American Economic Association
John G. Schreiber (1946) 2001 [190]	Owner/President, Centaur Capital Partners, Inc., a real estate investment company (1991 to present); Cofounder, Partner, and Cochairman of the Investment Committee, Blackstone Real Estate Advisors, L.P. (1992 to 2015); Director, Blackstone Mortgage Trust, a real estate finance company (2012 to 2016); Director and Chairman of the Board, Brixmor Property Group, Inc. (2013 to present); Director, Hilton Worldwide (2007 to present); Director, Hudson Pacific Properties (2014 to 2016); Director, Invitation Homes (2014 to 2017); Director, JMB Realty Corporation (1980 to present)

^(a)All information about the independent directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

^(b)William J. Stromberg, president and chief executive officer of T. Rowe Price Group, Inc., the parent company of the Price Funds' investment advisor, has served on the Board of Trustees of Johns Hopkins University since 2014.

INTERESTED DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
David Oestreicher (1967) 2018 [190]	General Counsel, Vice President, and Secretary, T. Rowe Price Group, Inc.; Chairman of the Board, Chief Executive Officer, President, and Secretary, T. Rowe Price Trust Company; Director, Vice President, and Secretary, T. Rowe Price, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.; Vice President and Secretary, T. Rowe Price International; Vice President, T. Rowe Price Hong Kong (Price Hong Kong), T. Rowe Price Japan (Price Japan), and T. Rowe Price Singapore (Price Singapore); Principal Executive Officer and Executive Vice President, all funds
Robert W. Sharps, CFA, CPA (1971) 2017 [190]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company; President, Equity Series

^(a)All information about the interested directors was current as of December 31, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

OFFICERS

Name (Year of Birth) Position Held With Equity Series	Principal Occupation(s)
Ziad Bakri, M.D., CFA (1980) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Brian W.H. Berghuis, CFA (1958) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Darrell N. Braman (1963) Vice President	Vice President, Price Hong Kong, Price Singapore, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, T. Rowe Price Investment Services, Inc., and T. Rowe Price Services, Inc.
Alan S. Dupski, CPA (1982) Principal Financial Officer, Vice President, and Treasurer	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Alexa M. Gagliardi (1988) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Trust Company
John R. Gilner (1961) Chief Compliance Officer	Chief Compliance Officer and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Investment Services, Inc.
Gary J. Greb (1961) Vice President	Vice President, T. Rowe Price, T. Rowe Price International, and T. Rowe Price Trust Company
Paul J. Krug, CPA (1964) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John D. Linehan, CFA (1965) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Fran M. Pollack-Matz (1961) Vice President and Secretary	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Larry J. Puglia, CFA, CPA (1960) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

OFFICERS (CONTINUED)

Name (Year of Birth) Position Held With Equity Series	Principal Occupation(s)
Shannon H. Rauser (1987) Assistant Secretary	Assistant Vice President, T. Rowe Price
Charles M. Shriver, CFA (1967) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, and T. Rowe Price Trust Company
Toby M. Thompson, CAIA, CFA (1971) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, and T. Rowe Price Trust Company
Ken D. Uematsu, CFA (1966) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John F. Wakeman (1962) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Megan Warren (1968) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; formerly, Executive Director, JPMorgan Chase (to 2017)
Justin P. White (1981) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

T.RowePrice®

100 East Pratt Street
Baltimore, MD 21202

Call 1-800-225-5132 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

Annual Report | December 31, 2020

Vanguard Variable Insurance Funds

Equity Index Portfolio

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Your Portfolio's Performance at a Glance

- For the 12 months ended December 31, 2020, the Equity Index Portfolio of Vanguard Variable Insurance Funds returned 18.20%, in line with the 18.40% return of its benchmark, the Standard & Poor's 500 Index, after factoring in the portfolio's expenses.
- Stocks initially plummeted after the emergence of COVID-19 in early 2020 but finished the year significantly higher. That was thanks in part to rapid, robust monetary and fiscal action by policymakers and the rollout of COVID-19 vaccines at the end of the year.
- The portfolio benefited most from its holdings in the information technology, consumer discretionary, and communication services sectors.
- The portfolio recorded an average annual return of 13.72% for the 10 years ended December 31, 2020, in line with its benchmark average of 13.88%.
- Please note that the portfolio returns in Vanguard Variable Insurance Funds are different from those in Vanguard Variable Annuity (and other plans that invest in the fund), which take into account insurance-related expenses.

Market Barometer

	Average Annual Total Returns Periods Ended December 31, 2020		
	One Year	Three Years	Five Years
Stocks			
Russell 1000 Index (Large-caps)	20.96%	14.82%	15.60%
Russell 2000 Index (Small-caps)	19.96	10.25	13.26
Russell 3000 Index (Broad U.S. market)	20.89	14.49	15.43
FTSE All-World ex US Index (International)	11.22	5.18	9.16
Bonds			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	7.51%	5.34%	4.44%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	5.21	4.64	3.91
FTSE Three-Month U.S. Treasury Bill Index	0.58	1.56	1.16
CPI			
Consumer Price Index	1.36%	1.85%	1.95%

About Your Portfolio's Expenses

As a shareholder of the portfolio, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a portfolio's gross income, directly reduce the investment return of the portfolio.

A portfolio's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your portfolio and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your portfolio's costs in two ways:

- **Based on actual portfolio return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the portfolio's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the portfolio. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, 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 given for your portfolio under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your portfolio's costs with those of other mutual funds. It assumes that the portfolio had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the portfolio's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your portfolio's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the portfolio for buying and selling securities. The portfolio's expense ratio does not reflect additional fees and expenses associated with the annuity or life insurance program through which you invest.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the portfolio's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your portfolio's current prospectus.

Six Months Ended December 31, 2020

	Beginning Account Value 6/30/2020	Ending Account Value 12/31/2020	Expenses Paid During Period
Equity Index Portfolio			
Based on Actual Portfolio Return	\$1,000.00	\$1,220.70	\$0.78
Based on Hypothetical 5% Yearly Return	1,000.00	1,024.43	0.71

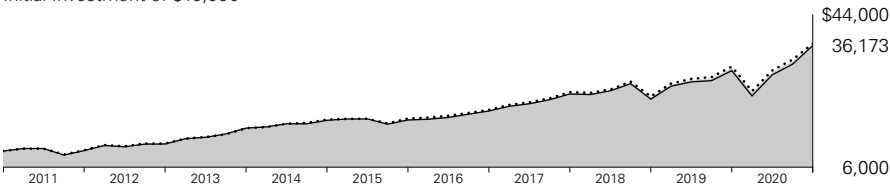
The calculations are based on expenses incurred in the most recent six-month period. The portfolio's annualized six-month expense ratio for that period is 0.14%. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (184/366).

Equity Index Portfolio

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the portfolio. (Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on portfolio distributions or on the sale of portfolio shares. Nor do the returns reflect fees and expenses associated with the annuity or life insurance program through which a shareholder invests. If these fees and expenses were included, the portfolio's returns would be lower.

Cumulative Performance: December 31, 2010, Through December 31, 2020
Initial Investment of \$10,000



	Average Annual Total Returns Periods Ended December 31, 2020			Final Value of a \$10,000 Investment
	One Year	Five Years	Ten Years	
Equity Index Portfolio	18.20%	15.05%	13.72%	\$36,173
S&P 500 Index	18.40	15.22	13.88	36,700
Dow Jones U.S. Total Stock Market Float Adjusted Index	20.79	15.36	13.74	36,240

Equity Index Portfolio

Portfolio Allocation

As of December 31, 2020

Communication Services	10.8%
Consumer Discretionary	12.7
Consumer Staples	6.5
Energy	2.3
Financials	10.4
Health Care	13.5
Industrials	8.4
Information Technology	27.6
Materials	2.6
Real Estate	2.4
Utilities	2.8

The table reflects the portfolio's investments, except for short-term investments and derivatives. Sector categories are based on the Global Industry Classification Standard ("GICS"), except for the "Other" category (if applicable), which includes securities that have not been provided a GICS classification as of the effective reporting period.

The portfolio may invest in derivatives (such as futures and swap contracts) for various reasons, including, but not limited to, attempting to remain fully invested and tracking its target index as closely as possible.

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard and Poor's, a division of McGraw-Hill Companies, Inc. ("S&P"), and is licensed for use by Vanguard. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classification makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of its affiliates or any third party involved in making or compiling the GICS or any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Financial Statements

Schedule of Investments

As of December 31, 2020

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

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Common Stocks (99.2%)					
Communication Services (10.7%)					
* Facebook Inc. Class A	569,523	155,571		32,163	4,258
* Alphabet Inc. Class A	71,190	124,770		35,291	4,223
* Alphabet Inc. Class C	68,805	120,538		27,563	3,875
* Walt Disney Co.	428,905	77,709		13,330	3,828
Verizon Communications Inc.	980,245	57,589		175,960	3,811
Comcast Corp. Class A	1,081,583	56,675		30,805	3,670
* Netflix Inc.	104,667	56,597		38,823	3,667
AT&T Inc.	1,688,130	48,550		9,322	3,575
* Charter Communications Inc. Class A	34,558	22,862		9,501	3,539
* T-Mobile US Inc.	138,160	18,631		34,133	3,428
Activision Blizzard Inc.	183,122	17,003		830	3,386
* Twitter Inc.	188,469	10,206		25,565	3,361
Electronic Arts Inc.	68,737	9,871		44,056	3,291
* Take-Two Interactive Software Inc.	27,287	5,670		96,998	3,056
ViacomCBS Inc. Class B	133,671	4,980		30,152	2,820
Omnicom Group Inc.	50,864	3,172		63,432	2,735
* Live Nation Entertainment Inc.	33,831	2,486		14,798	2,671
Fox Corp. Class A	79,734	2,322		22,971	2,592
CenturyLink Inc.	233,626	2,278		16,054	2,529
Interpublic Group of Cos. Inc.	92,293	2,171		66,245	2,334
* Discovery Inc. Class C	73,650	1,929		57,846	2,235
* DISH Network Corp. Class A	58,505	1,892		55,273	2,056
News Corp. Class A	101,368	1,821		65,638	2,040
* Discovery Inc. Class A	37,558	1,130		14,150	1,994
Fox Corp. Class B	36,732	1,061		74,681	1,899
News Corp. Class B	19,941	354		89,348	1,897
		807,838		16,822	1,579
				31,354	1,389
				82,421	1,202
				11,411	1,184
				48,678	983
				44,811	769
				45,820	682
				1,028	63
					954,163
Consumer Discretionary (12.6%)			Consumer Staples (6.5%)		
* Amazon.com Inc.	101,039	329,077		587,340	81,722
* Tesla Inc.	179,655	126,777		916,280	50,249
Home Depot Inc.	255,064	67,750		327,377	48,550
NIKE Inc. Class B	297,290	42,058		328,391	47,338
McDonald's Corp.	176,542	37,882		104,525	39,383
Starbucks Corp.	278,100	29,751		368,951	30,545
Lowe's Cos. Inc.	173,606	27,866		338,770	19,808
* Booking Holdings Inc.	9,703	21,611		440,387	18,056
Target Corp.	118,630	20,942		203,008	17,359
TJX Cos. Inc.	284,490	19,428		53,660	14,284
General Motors Co.	298,371	12,424		80,583	10,865
Dollar General Corp.	58,042	12,206		120,718	8,965
Ross Stores Inc.	84,366	10,361		40,173	8,800
* Chipotle Mexican Grill Inc. Class A	6,632	9,197		144,880	8,519
Aptiv plc	64,004	8,339		87,597	8,101
Marriott International Inc. Class A	63,039	8,316		170,410	6,796
Ford Motor Co.	926,125	8,141		131,938	6,651
eBay Inc.	155,226	7,800		29,896	6,037
* O'Reilly Automotive Inc.	17,173	7,772		183,683	5,834
Yum! Brands Inc.	71,514	7,764		58,999	5,640
Hilton Worldwide Holdings Inc.	65,784	7,319		153,736	5,328
* AutoZone Inc.	5,496	6,515		34,905	5,317
VF Corp.	75,840	6,478		58,954	5,143
* Dollar Tree Inc.	55,776	6,026			
Best Buy Co. Inc.	54,669	5,455			
DR Horton Inc.	78,659	5,421			
* Etsy Inc.	29,911	5,321			
Lennar Corp. Class A	64,457	4,914			
Las Vegas Sands Corp.	77,709	4,631			

Equity Index Portfolio

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Tyson Foods Inc. Class A	69,589	4,484	* Berkshire Hathaway Inc. Class A	21	7,304
Conagra Brands Inc.	115,583	4,191	Aflac Inc.	154,885	6,889
Kellogg Co.	60,181	3,745	Discover Financial Services	72,680	6,580
Brown-Forman Corp. Class B	43,184	3,430	Willis Towers Watson plc	30,568	6,440
J M Smucker Co.	26,994	3,121	State Street Corp.	83,670	6,090
Hormel Foods Corp.	66,428	3,096	First Republic Bank	41,235	6,059
Lamb Weston Holdings Inc.	34,625	2,726	Arthur J Gallagher & Co.	45,616	5,643
Campbell Soup Co.	47,918	2,317	Ameriprise Financial Inc.	27,989	5,439
Molson Coors Beverage Co. Class B	44,512	2,011	MarketAxess Holdings Inc.	8,981	5,124
		488,411	* SVB Financial Group	12,295	4,768
Energy (2.2%)			Fifth Third Bancorp	169,101	4,662
Exxon Mobil Corp.	1,001,678	41,289	Northern Trust Corp.	49,234	4,586
Chevron Corp.	456,049	38,513	Synchrony Financial	128,432	4,458
ConocoPhillips	253,049	10,119	Hartford Financial Services Group Inc.	84,775	4,152
Phillips 66	103,573	7,244	M&T Bank Corp.	30,354	3,864
Schlumberger NV	330,098	7,206	KeyCorp	231,034	3,791
EOG Resources Inc.	138,325	6,898	Regions Financial Corp.	227,240	3,663
Marathon Petroleum Corp.	154,318	6,383	Citizens Financial Group Inc.	101,467	3,628
Kinder Morgan Inc.	461,690	6,311	Nasdaq Inc.	27,160	3,605
Williams Cos. Inc.	287,853	5,771	Cincinnati Financial Corp.	35,402	3,093
Valero Energy Corp.	96,757	5,474	Huntington Bancshares Inc.	240,706	3,040
Pioneer Natural Resources Co.	38,903	4,431	Principal Financial Group Inc.	60,449	2,999
ONEOK Inc.	105,148	4,036	Raymond James Financial Inc.	28,828	2,758
Halliburton Co.	209,182	3,954	Loews Corp.	55,272	2,488
Occidental Petroleum Corp.	198,301	3,433	Cboe Global Markets Inc.	25,557	2,380
Hess Corp.	64,667	3,414	Everest Re Group Ltd.	9,455	2,213
Baker Hughes Co. Class A	162,286	3,384	W R Berkley Corp.	33,308	2,212
Concho Resources Inc.	46,451	2,710	Globe Life Inc.	22,779	2,163
Diamondback Energy Inc.	37,381	1,809	Lincoln National Corp.	42,980	2,162
Cabot Oil & Gas Corp.	94,309	1,535	Assurant Inc.	14,033	1,912
Devon Energy Corp.	90,528	1,431	Comerica Inc.	32,912	1,838
Apache Corp.	89,324	1,267	Zions Bancorp NA	38,808	1,686
National Oilwell Varco Inc.	91,910	1,262	Franklin Resources Inc.	64,714	1,617
Marathon Oil Corp.	186,801	1,246	Invesco Ltd.	89,101	1,553
TechnipFMC plc	99,536	936	People's United Financial Inc.	100,530	1,300
HollyFrontier Corp.	35,618	921	Unum Group	48,182	1,105
		170,977			783,067
Financials (10.4%)			Health Care (13.4%)		
* Berkshire Hathaway Inc. Class B	429,515	99,592	Johnson & Johnson	623,658	98,151
JPMorgan Chase & Co.	722,129	91,761	UnitedHealth Group Inc.	224,787	78,828
Bank of America Corp.	1,803,394	54,661	Merck & Co. Inc.	599,377	49,029
Citigroup Inc.	493,235	30,413	Pfizer Inc.	1,316,842	48,473
Wells Fargo & Co.	979,489	29,561	Abbott Laboratories	419,888	45,974
BlackRock Inc.	33,598	24,242	AbbVie Inc.	418,256	44,816
Morgan Stanley	338,557	23,201	Thermo Fisher Scientific Inc.	93,893	43,733
Goldman Sachs Group Inc.	81,499	21,492	Medtronic plc	318,892	37,355
Charles Schwab Corp.	353,373	18,743	Danaher Corp.	149,780	33,272
S&P Global Inc.	56,986	18,733	Bristol-Myers Squibb Co.	535,378	33,209
American Express Co.	154,511	18,682	Eli Lilly & Co.	188,095	31,758
Chubb Ltd.	106,923	16,458	Amgen Inc.	137,922	31,711
CME Group Inc.	85,040	15,482	* Intuitive Surgical Inc.	27,853	22,787
Intercontinental Exchange Inc.	132,951	15,328	CVS Health Corp.	310,108	21,180
Truist Financial Corp.	319,412	15,309	Stryker Corp.	77,463	18,982
US Bancorp	324,807	15,133	Anthem Inc.	58,926	18,921
PNC Financial Services Group Inc.	100,387	14,958	Zoetis Inc.	112,604	18,636
Marsh & McLennan Cos. Inc.	120,157	14,058	Cigna Corp.	85,598	17,820
Progressive Corp.	138,721	13,717	Gilead Sciences Inc.	296,984	17,302
Aon plc Class A	54,167	11,444	Becton Dickinson & Co.	68,714	17,194
Moody's Corp.	38,260	11,105	* Vertex Pharmaceuticals Inc.	61,614	14,562
Capital One Financial Corp.	108,353	10,711	* Edwards Lifesciences Corp.	147,674	13,472
MSCI Inc. Class A	19,645	8,772	Humana Inc.	31,359	12,866
MetLife Inc.	181,293	8,512	* Illumina Inc.	34,591	12,799
Travelers Cos. Inc.	60,035	8,427	* Boston Scientific Corp.	339,328	12,199
Bank of New York Mellon Corp.	193,205	8,200	* Regeneron Pharmaceuticals Inc.	24,843	12,002
T. Rowe Price Group Inc.	53,666	8,124	HCA Healthcare Inc.	62,541	10,285
Allstate Corp.	72,074	7,923	* IDEXX Laboratories Inc.	20,211	10,103
American International Group Inc.	204,222	7,732	* Baxter International Inc.	121,042	9,712
Prudential Financial Inc.	93,880	7,329	* Align Technology Inc.	17,005	9,087
			* Biogen Inc.	36,467	8,929

Equity Index Portfolio

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Agilent Technologies Inc.	72,522	8,593	Southwest Airlines Co.	139,969	6,524
* DexCom Inc.	22,762	8,416	Otis Worldwide Corp.	96,564	6,523
* Centene Corp.	137,425	8,250	* Copart Inc.	49,284	6,271
* IQVIA Holdings Inc.	45,444	8,142	Delta Air Lines Inc.	151,251	6,082
* Alexion Pharmaceuticals Inc.	51,873	8,105	Fortive Corp.	79,988	5,665
Zimmer Biomet Holdings Inc.	49,139	7,572	Equifax Inc.	28,856	5,565
ResMed Inc.	34,355	7,302	Republic Services Inc. Class A	49,761	4,792
McKesson Corp.	38,075	6,622	Kansas City Southern	22,221	4,536
* Mettler-Toledo International Inc.	5,643	6,431	Old Dominion Freight Line Inc.	22,839	4,458
Cerner Corp.	72,732	5,708	WW Grainger Inc.	10,667	4,356
* Viatis Inc.	285,398	5,348	Xylem Inc.	42,643	4,341
West Pharmaceutical Services Inc.	17,544	4,970	Dover Corp.	34,095	4,304
* Laboratory Corp. of America Holdings	23,044	4,691	* Ingersoll Rand Inc.	87,945	4,007
Teleflex Inc.	11,018	4,535	* United Rentals Inc.	17,068	3,958
* Hologic Inc.	60,807	4,429	Expeditors International of Washington Inc.	40,047	3,809
Cooper Cos. Inc.	11,603	4,216	IDEX Corp.	17,911	3,568
* Catalent Inc.	38,968	4,055	* Teledyne Technologies Inc.	8,726	3,420
* Incyte Corp.	44,045	3,831	Masco Corp.	61,908	3,401
STERIS plc	20,187	3,826	Jacobs Engineering Group Inc.	30,668	3,342
PerkinElmer Inc.	26,493	3,802	Westinghouse Air Brake Technologies Corp.	42,328	3,098
Quest Diagnostics Inc.	31,885	3,800	CH Robinson Worldwide Inc.	32,321	3,034
* Varian Medical Systems Inc.	21,613	3,782	* United Airlines Holdings Inc.	69,241	2,995
Cardinal Health Inc.	69,425	3,718	Fortune Brands Home & Security Inc.	32,869	2,818
* Waters Corp.	14,680	3,632	JB Hunt Transport Services Inc.	19,754	2,699
* ABIOMED Inc.	10,692	3,466	Howmet Aerospace Inc.	92,332	2,635
AmerisourceBergen Corp. Class A	34,796	3,402	Textron Inc.	54,152	2,617
* Bio-Rad Laboratories Inc. Class A	5,093	2,969	Allegion plc	21,775	2,534
DENTSPLY SIRONA Inc.	51,710	2,708	Quanta Services Inc.	32,855	2,366
Universal Health Services Inc. Class B	18,390	2,529	American Airlines Group Inc.	144,510	2,279
* Henry Schein Inc.	33,781	2,259	Snap-on Inc.	12,828	2,195
* DaVita Inc.	17,489	2,053	Pentair plc	39,359	2,090
Perrigo Co. plc	32,294	1,444	Rollins Inc.	52,342	2,045
		1,009,753	Nielsen Holdings plc	84,465	1,763
Industrials (8.3%)			A O Smith Corp.	32,041	1,756
Honeywell International Inc.	166,237	35,359	Robert Half International Inc.	26,970	1,685
Union Pacific Corp.	159,641	33,240	Huntington Ingalls Industries Inc.	9,581	1,633
United Parcel Service Inc. Class B	169,425	28,531	Alaska Air Group Inc.	29,257	1,521
Boeing Co.	125,722	26,912	Flowserve Corp.	30,750	1,133
Raytheon Technologies Corp.	359,780	25,728			629,738
3M Co.	136,656	23,886	Information Technology (27.4%)		
Caterpillar Inc.	128,694	23,425	Apple Inc.	3,786,235	502,396
General Electric Co.	2,075,376	22,414	Microsoft Corp.	1,791,147	398,387
Lockheed Martin Corp.	58,321	20,703	Visa Inc. Class A	401,711	87,866
Deere & Co.	74,232	19,972	NVIDIA Corp.	146,642	76,576
CSX Corp.	181,188	16,443	Mastercard Inc. Class A	208,413	74,391
FedEx Corp.	57,228	14,858	* PayPal Holdings Inc.	277,583	65,010
Norfolk Southern Corp.	60,176	14,298	* Adobe Inc.	113,651	56,839
Illinois Tool Works Inc.	68,218	13,908	* Intel Corp.	970,812	48,366
Emerson Electric Co.	141,672	11,386	* salesforce.com Inc.	216,777	48,239
Eaton Corp. plc	94,428	11,345	Cisco Systems Inc.	1,001,111	44,800
Northrop Grumman Corp.	36,732	11,193	Broadcom Inc.	95,823	41,956
Waste Management Inc.	92,107	10,862	QUALCOMM Inc.	267,925	40,816
Roper Technologies Inc.	24,849	10,712	Accenture plc Class A	150,091	39,205
L3Harris Technologies Inc.	49,790	9,411	Texas Instruments Inc.	217,416	35,685
Parker-Hannifin Corp.	30,528	8,316	Oracle Corp.	449,396	29,071
Trane Technologies plc	56,914	8,262	International Business Machines Corp.	211,111	26,575
General Dynamics Corp.	55,093	8,199	* Advanced Micro Devices Inc.	284,933	26,131
Verisk Analytics Inc. Class A	38,538	8,000	* ServiceNow Inc.	46,224	25,443
Johnson Controls International plc	171,583	7,994	Intuit Inc.	62,253	23,647
* TransDigm Group Inc.	12,904	7,986	Fidelity National Information Services Inc.	147,010	20,796
Cummins Inc.	35,083	7,967	* Micron Technology Inc.	263,717	19,826
IHS Markit Ltd.	88,344	7,936	Applied Materials Inc.	216,345	18,671
Cintas Corp.	20,836	7,365	Automatic Data Processing Inc.	101,600	17,902
Carrier Global Corp.	193,129	7,285	Lam Research Corp.	34,116	16,112
PACCAR Inc.	82,135	7,087	* Autodesk Inc.	52,097	15,907
Rockwell Automation Inc.	27,546	6,909	* Fiserv Inc.	136,217	15,510
Stanley Black & Decker Inc.	37,989	6,783	Global Payments Inc.	70,927	15,279
Fastenal Co.	136,131	6,647	Analog Devices Inc.	87,531	12,931
AMETEK Inc.	54,554	6,598	Cognizant Technology Solutions Corp. Class A	126,679	10,381

Equity Index Portfolio

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
KLA Corp.	36,699	9,502	¹ International Flavors & Fragrances Inc.	25,299	2,754
TE Connectivity Ltd.	78,383	9,490	Westrock Co.	62,290	2,712
* Synopsys Inc.	36,175	9,378	CF Industries Holdings Inc.	50,616	1,959
Amphenol Corp. Class A	70,902	9,272	Mosaic Co.	81,619	1,878
* Cadence Design Systems Inc.	66,110	9,019	Sealed Air Corp.	36,703	1,681
Microchip Technology Inc.	61,711	8,523			197,084
Xilinx Inc.	58,096	8,236	Real Estate (2.4%)		
HP Inc.	325,571	8,006	American Tower Corp.	105,243	23,623
* ANSYS Inc.	20,361	7,407	Prologis Inc.	175,141	17,455
Paychex Inc.	75,853	7,068	Crown Castle International Corp.	102,187	16,267
Motorola Solutions Inc.	40,199	6,836	Equinix Inc.	21,111	15,077
Corning Inc.	181,173	6,522	Digital Realty Trust Inc.	66,394	9,263
Skyworks Solutions Inc.	39,395	6,023	Public Storage	36,050	8,325
* Keysight Technologies Inc.	43,957	5,806	SBA Communications Corp. Class A	26,343	7,432
Maxim Integrated Products Inc.	63,244	5,607	Simon Property Group Inc.	77,754	6,631
* FleetCor Technologies Inc.	19,786	5,398	Welltower Inc.	98,969	6,395
* Paycom Software Inc.	11,590	5,242	Weyerhaeuser Co.	177,044	5,936
* VeriSign Inc.	23,757	5,141	AvalonBay Communities Inc.	33,124	5,314
* Zebra Technologies Corp. Class A	12,654	4,863	Alexandria Real Estate Equities Inc.	29,296	5,221
* Fortinet Inc.	31,879	4,735	Realty Income Corp.	83,218	5,174
Teradyne Inc.	39,290	4,711	* CBRE Group Inc. Class A	79,597	4,992
* Qorvo Inc.	26,986	4,487	Equity Residential	81,285	4,819
CDW Corp.	33,945	4,474	Ventas Inc.	88,624	4,346
Broadridge Financial Solutions Inc.	27,355	4,191	Healthpeak Properties Inc.	127,387	3,851
* Tyler Technologies Inc.	9,542	4,165	Essex Property Trust Inc.	15,428	3,663
* Akamai Technologies Inc.	38,516	4,044	Extra Space Storage Inc.	30,577	3,543
Western Digital Corp.	71,982	3,987	Duke Realty Corp.	88,004	3,518
Citrix Systems Inc.	29,131	3,790	Mid-America Apartment Communities Inc.	27,060	3,428
* Arista Networks Inc.	12,890	3,745	Boston Properties Inc.	33,515	3,168
Hewlett Packard Enterprise Co.	304,491	3,608	UDR Inc.	69,679	2,678
NetApp Inc.	52,853	3,501	Host Hotels & Resorts Inc.	166,884	2,441
* Gartner Inc.	21,125	3,384	Iron Mountain Inc.	68,186	2,010
Leidos Holdings Inc.	31,652	3,327	Regency Centers Corp.	37,340	1,702
Seagate Technology plc	52,885	3,287	Kimco Realty Corp.	102,337	1,536
Jack Henry & Associates Inc.	18,056	2,925	Federal Realty Investment Trust	16,290	1,387
NortonLifeLock Inc.	140,036	2,910	Vornado Realty Trust	37,113	1,386
* F5 Networks Inc.	14,576	2,565	SL Green Realty Corp.	17,173	1,023
Western Union Co.	97,271	2,134			181,604
* IPG Photonics Corp.	8,450	1,891	Utilities (2.7%)		
Juniper Networks Inc.	78,030	1,756	NextEra Energy Inc.	464,072	35,803
DXC Technology Co.	60,199	1,550	Duke Energy Corp.	174,326	15,961
FLIR Systems Inc.	31,031	1,360	Southern Co.	250,232	15,372
* Vontier Corp.	31,872	1,065	Dominion Energy Inc.	193,232	14,531
Xerox Holdings Corp.	39,430	914	American Electric Power Co. Inc.	117,618	9,794
		2,070,559	Exelon Corp.	231,163	9,760
Materials (2.6%)			Sempra Energy	68,366	8,710
Linde plc	124,340	32,765	Xcel Energy Inc.	124,541	8,303
Air Products and Chemicals Inc.	52,364	14,307	Eversource Energy	81,284	7,032
Sherwin-Williams Co.	19,366	14,232	Public Service Enterprise Group Inc.	119,941	6,992
Ecolab Inc.	58,835	12,730	WEC Energy Group Inc.	74,793	6,883
DuPont de Nemours Inc.	173,848	12,362	American Water Works Co. Inc.	42,987	6,597
Newmont Corp.	190,338	11,399	Consolidated Edison Inc.	81,151	5,865
Dow Inc.	175,765	9,755	Edison International	89,794	5,641
Freeport-McMoRan Inc.	344,338	8,960	DTE Energy Co.	45,921	5,575
PPG Industries Inc.	55,985	8,074	PPL Corp.	182,458	5,145
Ball Corp.	77,541	7,225	Entergy Corp.	47,375	4,730
Corteva Inc.	176,636	6,839	Ameren Corp.	58,489	4,566
LyondellBasell Industries NV Class A	60,998	5,591	CMS Energy Corp.	67,747	4,133
Vulcan Materials Co.	31,451	4,665	FirstEnergy Corp.	128,376	3,930
International Paper Co.	93,292	4,638	AES Corp.	157,365	3,698
Amcort plc	371,068	4,367	Alliant Energy Corp.	59,089	3,045
Martin Marietta Materials Inc.	14,733	4,184	Evergy Inc.	53,667	2,979
Nucor Corp.	71,439	3,800	Atmos Energy Corp.	29,790	2,843
Albemarle Corp.	25,188	3,716	CenterPoint Energy Inc.	128,908	2,790
Celanese Corp. Class A	27,658	3,594	NRG Energy Inc.	57,782	2,170
FMC Corp.	30,700	3,528	Pinnacle West Capital Corp.	26,641	2,130
Eastman Chemical Co.	32,053	3,214			
Packaging Corp. of America	22,432	3,094			
Avery Dennison Corp.	19,734	3,061			

Equity Index Portfolio

	Shares	Market Value* (\$000)
NiSource Inc.	90,678	2,080
		207,058
Total Common Stocks (Cost \$4,036,605)		7,500,252
Temporary Cash Investments (0.7%)		
Money Market Fund (0.7%)		
^{2,3} Vanguard Market Liquidity Fund, 0.111%	486,636	48,663
	Face Amount (\$000)	
U.S. Government and Agency Obligations (0.0%)		
⁴ United States Treasury Bill, 0.097%, 1/5/21	1,470	1,470
⁴ United States Treasury Bill, 0.095%, 1/28/21	1,002	1,002
		2,472
Total Temporary Cash Investments (Cost \$51,135)		51,135
Total Investments (99.9%) (Cost \$4,087,740)		7,551,387
Other Assets and Liabilities—Net (0.1%)		3,977
Net Assets (100%)		7,555,364

Cost is in \$000.

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

1 Includes partial security positions on loan to broker-dealers. The total value of securities on loan is \$2,645,000.

2 Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.

3 Collateral of \$2,770,000 was received for securities on loan.

4 Securities with a value of \$2,472,000 have been segregated as initial margin for open futures contracts.

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

				(\$000)
	Expiration	Number of Long (Short) Contracts	Notional Amount	Value and Unrealized Appreciation (Depreciation)
Long Futures Contracts				
E-mini S&P 500 Index	March 2021	293	54,920	1,251

Statement of Assets and Liabilities

As of December 31, 2020

(\$000s, except shares and per-share amounts)	Amount
Assets	
Investments in Securities, at Value	
Unaffiliated Issuers (Cost \$4,039,077)	7,502,724
Affiliated Issuers (Cost \$48,663)	48,663
Total Investments in Securities	7,551,387
Investment in Vanguard	286
Cash Collateral Pledged—Futures Contracts	677
Receivables for Accrued Income	5,572
Receivables for Capital Shares Issued	806
Variation Margin Receivable—Futures Contracts	350
Total Assets	7,559,078
Liabilities	
Due to Custodian	11
Payables for Investment Securities Purchased	3
Collateral for Securities on Loan	2,770
Payables for Capital Shares Redeemed	362
Payables to Vanguard	568
Total Liabilities	3,714
Net Assets	7,555,364

At December 31, 2020, net assets consisted of:

Paid-in Capital	3,678,282
Total Distributable Earnings (Loss)	3,877,082
Net Assets	7,555,364

Net Assets	
Applicable to 140,527,793 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	7,555,364
Net Asset Value Per Share	\$53.76

Statement of Operations

	Year Ended December 31, 2020
	(\$000)
Investment Income	
Income	
Dividends	121,672
Interest ¹	163
Securities Lending—Net	116
Total Income	121,951
Expenses	
The Vanguard Group—Note B	
Investment Advisory Services	978
Management and Administrative	7,409
Marketing and Distribution	576
Custodian Fees	50
Auditing Fees	72
Shareholders' Reports	42
Trustees' Fees and Expenses	4
Total Expenses	9,131
Net Investment Income	112,820
Realized Net Gain (Loss)	
Investment Securities Sold ¹	302,910
Futures Contracts	8,611
Realized Net Gain (Loss)	311,521
Change in Unrealized Appreciation (Depreciation)	
Investment Securities ¹	748,174
Futures Contracts	655
Change in Unrealized Appreciation (Depreciation)	748,829
Net Increase (Decrease) in Net Assets Resulting from Operations	1,173,170

¹ Interest income, realized net gain (loss), and change in unrealized appreciation (depreciation) from an affiliated company of the portfolio were \$150,000, (\$22,000), and \$3,000, respectively. Purchases and sales are for temporary cash investment purposes.

Statement of Changes in Net Assets

	Year Ended December 31,	
	2020 (\$000)	2019 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	112,820	107,281
Realized Net Gain (Loss)	311,521	132,104
Change in Unrealized Appreciation (Depreciation)	748,829	1,295,996
Net Increase (Decrease) in Net Assets Resulting from Operations	1,173,170	1,535,381
Distributions¹		
Total Distributions	(242,631)	(247,426)
Capital Share Transactions		
Issued	996,555	584,985
Issued in Lieu of Cash Distributions	242,631	247,426
Redeemed	(1,072,379)	(596,018)
Net Increase (Decrease) from Capital Share Transactions	166,807	236,393
Total Increase (Decrease)	1,097,346	1,524,348
Net Assets		
Beginning of Period	6,458,018	4,933,670
End of Period	7,555,364	6,458,018

¹ Certain prior-period numbers have been reclassified to conform with the current-period presentation.

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended December 31,				
	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$47.70	\$38.03	\$41.17	\$35.63	\$33.25
Investment Operations					
Net Investment Income	.798 ¹	.805 ¹	.804 ¹	.699 ¹	.704
Net Realized and Unrealized Gain (Loss) on Investments	7.014	10.791	(2.556)	6.734	3.055
Total from Investment Operations	7.812	11.596	(1.752)	7.433	3.759
Distributions					
Dividends from Net Investment Income	(.806)	(.834)	(.703)	(.699)	(.759)
Distributions from Realized Capital Gains	(.946)	(1.092)	(.685)	(1.194)	(.620)
Total Distributions	(1.752)	(1.926)	(1.388)	(1.893)	(1.379)
Net Asset Value, End of Period	\$53.76	\$47.70	\$38.03	\$41.17	\$35.63
Total Return	18.20%	31.30%	-4.51%	21.66%	11.81%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$7,555	\$6,458	\$4,934	\$5,178	\$4,329
Ratio of Total Expenses to Average Net Assets	0.14%	0.14%	0.14%	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	1.73%	1.87%	1.94%	1.85%	2.08%
Portfolio Turnover Rate	8%	4%	5%	5%	7%

¹ Calculated based on average shares outstanding.

Notes to Financial Statements

The Equity Index Portfolio, a portfolio of Vanguard Variable Insurance Funds, is registered under the Investment Company Act of 1940 as an open-end investment company. The portfolio's shares are only available for purchase by separate accounts of insurance companies as investments for variable annuity plans, variable life insurance contracts, or other variable benefit insurance contracts. Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the portfolio and thus portfolio performance.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The portfolio consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been materially affected by events occurring before the portfolio's pricing time but after the close of the securities' primary markets, are valued by methods deemed by the board of trustees to represent fair value. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services.

2. **Futures Contracts:** The portfolio uses index futures contracts to a limited extent, with the objectives of maintaining full exposure to the stock market, maintaining liquidity, and minimizing transaction costs. The portfolio may purchase futures contracts to immediately invest incoming cash in the market, or sell futures in response to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the portfolio and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the portfolio trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the portfolio's performance and requires daily settlement of variation margin representing changes in the market value of each contract. Any securities pledged as initial margin for open contracts are noted in the Schedule of Investments.

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures contracts.

During the year ended December 31, 2020, the portfolio's average investments in long and short futures contracts represented 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **Federal Income Taxes:** The portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income. The portfolio's tax returns are open to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return. Management has analyzed the portfolio's tax positions taken for all open federal and state income tax years, and has concluded that no provision for income tax is required in the portfolio's financial statements.

4. **Distributions:** Distributions to shareholders are recorded on the ex-dividend date. Distributions are determined on a tax basis at the fiscal year-end and may differ from net investment income and realized capital gains for financial reporting purposes.

5. **Securities Lending:** To earn additional income, the portfolio lends its securities to qualified institutional borrowers. Security loans are subject to termination by the portfolio at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled before the opening of the market on the next business day. The portfolio further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of

prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the portfolio; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the event of a default, the portfolio may experience delays and costs in recovering the securities loaned. The portfolio invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Assets and Liabilities for the return of the collateral, during the period the securities are on loan. Collateral investments in Vanguard Market Liquidity Fund are subject to market appreciation or depreciation. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the portfolio is entitled to all distributions made on or in respect of the loaned securities.

6. Credit Facilities and Interfund Lending Program: The portfolio and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$4.3 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement and an uncommitted credit facility provided by Vanguard. Both facilities may be renewed annually. Each fund is individually liable for its borrowings, if any, under the credit facilities. Borrowings may be utilized for temporary or emergency purposes, subject to the portfolio's regulatory and contractual borrowing restrictions. With respect to the committed credit facility, the participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn committed amount of the facility; these fees are allocated to the funds based on a method approved by the portfolio's board of trustees and included in Management and Administrative expenses on the portfolio's Statement of Operations. Any borrowings under either facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate (or an acceptable alternate rate, if necessary), federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread, except that borrowings under the uncommitted credit facility may bear interest based upon an alternative rate agreed to by the portfolio and Vanguard.

In accordance with an exemptive order (the "Order") from the SEC, the portfolio may participate in a joint lending and borrowing program that allows registered open-end Vanguard funds to borrow money from and lend money to each other for temporary or emergency purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the portfolio's investment objective and investment policies. Interfund loans and borrowings normally extend overnight, but can have a maximum duration of seven days. Loans may be called on one business day's notice. The interest rate to be charged is governed by the conditions of the Order and internal procedures adopted by the board of trustees. The board of trustees is responsible for overseeing the Interfund Lending Program.

For the year ended December 31, 2020, the portfolio did not utilize the credit facilities or the Interfund Lending Program.

7. Other: Dividend income is recorded on the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair value of the securities received. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for premiums on certain callable debt securities that are amortized to the earliest call date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the portfolio, Vanguard furnishes to the portfolio investment advisory, corporate management, administrative, marketing, and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the portfolio based on methods and guidelines approved by the board of trustees and are generally settled twice a month.

Upon the request of Vanguard, the portfolio may invest up to 0.40% of its net assets as capital in Vanguard. At December 31, 2020, the portfolio had contributed to Vanguard capital in the amount of \$286,000, representing less than 0.01% of the portfolio's net assets and 0.11% of Vanguard's capital received pursuant to the FSA. The portfolio's trustees and officers are also directors and employees, respectively, of Vanguard.

C. Various inputs may be used to determine the value of the portfolio's investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

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

Level 3—Significant unobservable inputs (including the portfolio's own assumptions used to determine the fair value of investments). Any investments and derivatives valued with significant unobservable inputs are noted on the Schedule of Investments.

The following table summarizes the market value of the portfolio's investments and derivatives as of December 31, 2020, based on the inputs used to value them:

	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
Investments				
Assets				
Common Stocks	7,500,252	—	—	7,500,252
Temporary Cash Investments	48,663	2,472	—	51,135
Total	7,548,915	2,472	—	7,551,387
Derivative Financial Instruments				
Assets				
Futures Contracts ¹	350	—	—	350

¹ Represents variation margin on the last day of the reporting period.

D. Permanent differences between book-basis and tax-basis components of net assets, if any, are reclassified among capital accounts in the financial statements to reflect their tax character. These reclassifications have no effect on net assets or net asset value per share.

Temporary differences between book-basis and tax-basis components of total distributable earnings (losses) arise when certain items of income, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. The differences are primarily related to the deferral of losses from wash sales; and the recognition of unrealized gains or losses from certain derivative contracts. As of period end, the tax-basis components of total distributable earnings (losses) are detailed in the table as follows:

	Amount (\$000)
Undistributed Ordinary Income	103,290
Undistributed Long-Term Gains	309,745
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Net Unrealized Gains (Losses)	3,464,047

The tax character of distributions paid was as follows:

	Year Ended December 31,	
	2020 Amount (\$000)	2019 Amount (\$000)
Ordinary Income*	115,359	107,488
Long-Term Capital Gains	127,272	139,938
Total	242,631	247,426

* Includes short-term capital gains, if any.

As of December 31, 2020, gross unrealized appreciation and depreciation for investments and derivatives based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	4,087,340
Gross Unrealized Appreciation	3,896,974
Gross Unrealized Depreciation	(432,927)
Net Unrealized Appreciation (Depreciation)	3,464,047

E. During the year ended December 31, 2020, the portfolio purchased \$559,039,000 of investment securities and sold \$528,240,000 of investment securities, other than temporary cash investments.

F. Capital shares issued and redeemed were:

	Year Ended December 31,	
	2020 Shares (000)	2019 Shares (000)
Issued	22,103	13,588
Issued in Lieu of Cash Distributions	6,753	6,019
Redeemed	(23,722)	(13,957)
Net Increase (Decrease) in Shares Outstanding	5,134	5,650

At December 31, 2020, two shareholders (an insurance company separate account whose holdings in the portfolio represent the indirect investment of Vanguard Variable Annuity contract holders and Total Stock Market Index Portfolio) were each a record or beneficial owner of 25% or more of the portfolio's net assets, with a combined ownership of 67%. If any of these shareholders were to redeem their investment in the portfolio, the redemption might result in an increase in the portfolio's expense ratio, cause the portfolio to incur higher transaction costs, or lead to the realization of taxable capital gains.

G. Management has determined that no events or transactions occurred subsequent to December 31, 2020, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Variable Insurance Funds and Shareholders of Equity Index Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Equity Index Portfolio (one of the portfolios constituting Vanguard Variable Insurance Funds, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent; 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
Philadelphia, Pennsylvania
February 18, 2021

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Special 2020 tax information (unaudited) for corporate shareholders only for Equity Index Portfolio, a portfolio of Vanguard Variable Insurance Funds

This information for the fiscal year ended December 31, 2020, is included pursuant to provisions of the Internal Revenue Code for corporate shareholders only.

The portfolio distributed \$127,272,000 as capital gain dividends (20% rate gain distributions) to shareholders during the fiscal year.

For corporate shareholders, 98.5% of investment income (dividend income plus short-term gains, if any) qualifies for the dividends-received deduction.

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The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 211 Vanguard funds.

Information for each trustee and executive officer of the fund appears below. That information, as well as the Vanguard fund count, is as of the date on the cover of this fund report. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at vanguard.com.

Interested Trustee¹

Mortimer J. Buckley

Born in 1969. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: chairman of the board (2019–present) of Vanguard and of each of the investment companies served by Vanguard; chief executive officer (2018–present) of Vanguard; chief executive officer, president, and trustee (2018–present) of each of the investment companies served by Vanguard; president and director (2017–present) of Vanguard; and president (2018–present) of Vanguard Marketing Corporation. Chief investment officer (2013–2017), managing director (2002–2017), head of the Retail Investor Group (2006–2012), and chief information officer (2001–2006) of Vanguard. Chairman of the board (2011–2017) and trustee (2009–2017) of the Children's Hospital of Philadelphia; and trustee (2018–present) and vice chair (2019–present) of The Shipley School.

Independent Trustees

Emerson U. Fullwood

Born in 1948. Trustee since January 2008. Principal occupation(s) during the past five years and other experience: executive chief staff and marketing officer for North America and corporate vice president (retired 2008) of Xerox Corporation (document management products and services). Former president of the Worldwide Channels Group, Latin America, and Worldwide Customer Service and executive chief staff officer of Developing Markets of Xerox. Executive in residence and 2009–2010 Distinguished Minett Professor at the Rochester Institute of Technology. Director of SPX FLOW, Inc. (multi-industry manufacturing). Director of the University of Rochester Medical Center, the Monroe Community College Foundation, the United Way of Rochester, North Carolina A&T University, and Roberts Wesleyan College. Trustee of the University of Rochester.

Amy Gutmann

Born in 1949. Trustee since June 2006. Principal occupation(s) during the past five years and other experience: president (2004–present) of the University of Pennsylvania. Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and professor of communication, Annenberg School for Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania.

F. Joseph Loughrey

Born in 1949. Trustee since October 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2009) and vice chairman of the board (2008–2009) of Cummins Inc. (industrial machinery). Chairman of the board of Hillenbrand, Inc. (specialized consumer services) and the Lumina Foundation. Director of the V Foundation. Member of the advisory council for the College of Arts and Letters and chair of the advisory board to the Kellogg Institute for International Studies, both at the University of Notre Dame.

Mark Loughridge

Born in 1953. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: senior vice president and chief financial officer (retired 2013) of IBM (information technology services). Fiduciary member of IBM's Retirement Plan Committee (2004–2013), senior vice president and general manager (2002–2004) of IBM Global Financing, vice president and controller (1998–2002) of

IBM, and a variety of other prior management roles at IBM. Member of the Council on Chicago Booth.

Scott C. Malpass

Born in 1962. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: chief investment officer (retired June 2020) and vice president (retired June 2020) of the University of Notre Dame. Assistant professor of finance at the Mendoza College of Business, University of Notre Dame, and member of the Notre Dame 403(b) Investment Committee (retired June 2020). Member of the board of Catholic Investment Services, Inc. (investment advisors) and the board of superintendence of the Institute for the Works of Religion.

Deanna Mulligan

Born in 1963. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: board chair (2020–present), chief executive officer (2011–2020), and president (2010–2019) of The Guardian Life Insurance Company of America. Chief operating officer (2010–2011) and executive vice president (2008–2010) of the individual life and disability division of Guardian Life. Member of the board of the American Council of Life Insurers and the board of the Economic Club of New York. Trustee of the Partnership for New York City (business leadership), Chief Executives for Corporate Purpose, NewYork-Presbyterian Hospital, Catalyst, and the Bruce Museum (arts and science). Member of the Advisory Council for the Stanford Graduate School of Business.

André F. Perold

Born in 1952. Trustee since December 2004. Principal occupation(s) during the past five years and other experience: George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011). Chief investment officer and co-managing partner of HighVista Strategies (private investment firm). Member of the board of advisors and member of the investment committee of the Museum of Fine Arts Boston. Member of the board (2018–present) of RIT Capital Partners (investment firm). Member of the investment committee of Partners Health Care System.

Sarah Bloom Raskin

Born in 1961. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: deputy secretary (2014–2017) of the United States Department of the Treasury. Governor (2010–2014) of the Federal Reserve Board. Commissioner (2007–2010) of financial regulation for the State of Maryland. Member of the board of directors (2012–2014) of Neighborhood Reinvestment Corporation. Director (2017–present) of i(x) Investments, LLC; director (2017–present) of Reserve Trust. Rubenstein Fellow (2017–present) of Duke University; trustee (2017–present) of Amherst College, and trustee (2019–present) of the Folger Shakespeare Library.

Peter F. Volanakis

Born in 1955. Trustee since July 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2010) of Corning Incorporated (communications equipment) and director of Corning Incorporated (2000–2010) and Dow Corning (2001–2010). Director (2012) of SPX Corporation (multi-industry manufacturing). Overseer of the Amos Tuck School of Business Administration, Dartmouth College (2001–2013). Chairman of the board of trustees of Colby-Sawyer College. Member of the board of Hypertherm Inc. (industrial cutting systems, software, and consumables).

¹ Mr. Buckley is considered "interested person," as defined in the Investment Company Act of 1940, because he is an officer of the Vanguard funds.

Executive Officers

John Bendl

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief financial officer (2019–present) of each of the investment companies served by Vanguard. Chief accounting officer, treasurer, and controller of Vanguard (2017–present). Partner (2003–2016) at KPMG (audit, tax, and advisory services).

Christine M. Buchanan

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Treasurer (2017–present) of each of the investment companies served by Vanguard. Partner (2005–2017) at KPMG (audit, tax, and advisory services).

David Cermak

Born in 1960. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present) of each of the investment companies served by Vanguard. Managing director and head (2017–present) of Vanguard Investments Singapore. Managing director and head (2017–2019) of Vanguard Investments Hong Kong. Representative director and head (2014–2017) of Vanguard Investments Japan.

John Galloway

Born in 1973. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Investment stewardship officer (September 2020–present) of each of the investment companies served by Vanguard. Head of Investor Advocacy (February 2020–present) and head of Marketing Strategy and Planning (2017–2020) at Vanguard. Deputy assistant to the President of the United States (2015).

Thomas J. Higgins

Born in 1957. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present), chief financial officer (2008–2019), and treasurer (1998–2008) of each of the investment companies served by Vanguard.

Peter Mahoney

Born in 1974. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Controller (2015–present) of each of the investment companies served by Vanguard. Head of International Fund Services (2008–2014) at Vanguard.

Anne E. Robinson

Born in 1970. Principal occupation(s) during the past five years and other experience: general counsel (2016–present) of Vanguard. Secretary (2016–present) of Vanguard and of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Managing director and general counsel of Global Cards and Consumer Services (2014–2016) at Citigroup. Counsel (2003–2014) at American Express.

Michael Rollings

Born in 1963. Principal occupation(s) during the past five years and other experience: finance director (2017–present) and treasurer (2017) of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Chief financial officer (2016–present) of Vanguard. Director (2016–present) of Vanguard Marketing Corporation. Executive vice president and chief financial officer (2006–2016) of MassMutual Financial Group.

John E. Schadt

Born in 1972. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief compliance officer (2019–present) of Vanguard and of each of the investment companies served by Vanguard. Assistant vice president (2019–present) of Vanguard Marketing Corporation.

Vanguard Senior Management Team

Joseph Brennan

Mortimer J. Buckley

Gregory Davis

John James

John T. Marcante

Chris D. McIsaac

James M. Norris

Thomas M. Rampulla

Karin A. Risi

Anne E. Robinson

Michael Rollings

Lauren Valente



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Fund Information > 800-662-7447

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Institutional Investor Services > 800-523-1036

Text Telephone for People

Who Are Deaf or Hard of Hearing > 800-749-7273

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You can obtain a free copy of Vanguard's proxy voting guidelines by visiting vanguard.com/proxyreporting or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, www.sec.gov. In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either vanguard.com/proxyreporting or www.sec.gov.

You can review information about your portfolio on the SEC's website, and you can receive copies of this information, for a fee, by sending a request via email addressed to publicinfo@sec.gov.

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Annual Report | December 31, 2020

Vanguard Variable Insurance Funds

Balanced Portfolio

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Your Portfolio's Performance at a Glance

- The Balanced Portfolio of Vanguard Variable Insurance Funds returned 10.68% for the 12 months ended December 31, 2020, trailing the 15.80% return of its composite benchmark. Please note that the portfolio's returns are different from those in Vanguard Variable Annuity (and other plans that invest in the portfolio), which take into account insurance-related expenses.
- The emergence of COVID-19 in early 2020 turned into a global health crisis, and aggressive attempts to contain it resulted in a sharp downturn in economic activity. Unemployment spiked, and sectors where social distancing isn't possible were hit hard. Stocks initially plummeted as infections surged, but they finished the year significantly higher, thanks in part to rapid and robust monetary and fiscal action by policymakers and the rollout of COVID-19 vaccines as the year drew to a close. Many central banks slashed short-term interest rates and expanded or extended asset-purchase programs.
- Returns were positive in eight of the stock sectors the portfolio invests in. Poor selection in consumer discretionary and an underweighting of information technology were the biggest detractors relative to the benchmark.
- Over the decade ended December 31, the portfolio's average annual return trailed that of its benchmark by about 1 percentage point.

Market Barometer

	Average Annual Total Returns Periods Ended December 31, 2020		
	One Year	Three Years	Five Years
Stocks			
Russell 1000 Index (Large-caps)	20.96%	14.82%	15.60%
Russell 2000 Index (Small-caps)	19.96	10.25	13.26
Russell 3000 Index (Broad U.S. market)	20.89	14.49	15.43
FTSE All-World ex US Index (International)	11.22	5.18	9.16
Bonds			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	7.51%	5.34%	4.44%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	5.21	4.64	3.91
FTSE Three-Month U.S. Treasury Bill Index	0.58	1.56	1.16
CPI			
Consumer Price Index	1.36%	1.85%	1.95%

Advisor's Report

The Balanced Portfolio of Vanguard Variable Insurance Funds returned 10.68% for the 12 months ended December 31, 2020, trailing the 15.80% return of its blended benchmark (a mix of 65% large-capitalization stocks and 35% high-quality corporate bonds). The stock portion of the portfolio underperformed its benchmark, the Standard & Poor's 500 Index, while the bond portion outperformed its benchmark, the Bloomberg Barclays U.S. Credit A or Better Bond Index.

The investment environment

Stock markets in the United States and abroad posted positive results for the year. The S&P 500 Index returned 18.40%, the MSCI World Index 16.50%, and the MSCI EAFE Index 7.82%.

Throughout the year, the primary factors influencing the environment for equities were effects of the COVID-19 pandemic, declining interest rates, and the U.S. presidential election.

COVID-19 spread globally in March, bringing affected countries' economies to a near-standstill. The impact extended to businesses across almost all sectors, even those considered more stable or defensive. Stock prices fell sharply at the outset for businesses directly affected by the shutdown and those with higher leverage. As the pandemic extended into the summer, high-growth stocks drove up the market from the lows of March, with many of these businesses benefiting from consumers' shift to digital.

In addition, interest rates generally declined during 2020. The Federal Reserve continued its supportive policy, cutting rates to near zero in March to help bolster the market. The low rates magnified exceptional fundamentals for many high-growth stocks. This resulted in strong performance from many high-growth technology companies, particularly in the mega-capitalization spectrum of the market.

The fourth quarter of 2020 was marked by two significant events: the presidential

election and the development of COVID-19 vaccines. The market reacted positively to both events and performed strongly throughout the quarter. The high-growth dominance that marked much of 2020 began to subside as positive vaccine news led to optimism for a cyclical recovery.

In the U.S., large-cap growth stocks, as measured by the Russell 1000 Growth Index (+38.49%), significantly outperformed large-cap value stocks, as measured by the Russell 1000 Value Index (+2.80%). This trend hindered the portfolio, which incorporates valuation as a component of the investment process.

The broad fixed income markets largely generated positive total returns over the year, spurred by a significant decline in U.S. Treasury yields and the compression of credit spreads after they had widened earlier in 2020. Markets were primarily influenced by the pandemic-driven growth slowdown and then by the unprecedented speed and magnitude of stimulus measures enacted by the Fed and the U.S. government.

For the year, the Bloomberg Barclays U.S. Aggregate Bond Index returned 7.51% and the higher-quality credit market performed even better, as the Bloomberg Barclays U.S. Credit A or Better Bond Index returned 9.42%. The yield of the 10-year Treasury note fell, beginning 2020 at 1.92% and ending at 0.91%.

Our shortfalls

In the stock portfolio, sector allocation and security selection detracted from relative returns. Specifically, the portfolio's average overweight position in the financial sector significantly hurt, contributing to underperformance for the year. The portfolio's average overweight position in energy also detracted, as did its underweight allocation to information technology.

Selection was weakest in consumer discretionary, health care, and real estate. The biggest detractors included Bank of America, BP, Prudential Financial, and

JPMorgan Chase. A lack of exposure to or underweight positions in Amazon, NVIDIA, and PayPal also hurt relative returns.

On the fixed income side, moderate out-of-benchmark allocations to consumer asset-backed securities and commercial mortgage-backed securities (MBS) were slight relative detractors, as was an underweight allocation to local agency bonds. Our duration/yield curve positioning also modestly hurt. The primary detractor was positioning in the long end of the yield curve in the second quarter as the curve steepened.

Our successes

Our stock selection in financials, energy, and utilities partly offset negative returns. Taiwan Semiconductor, BlackRock, Charles Schwab, and Deere & Co. were strong individual contributors to results, as was a lack of exposure to Wells Fargo and Boeing. An underweight allocation to Exxon Mobil also helped overall performance.

In the fixed income portfolio, spread sectors struggled at the start of 2020 before reversing course and rallying to end up tightening for the year. Selection among investment-grade corporates—particularly consumer noncyclicals, technology, communications, and transportation within the industrial sector—mainly drove outperformance of the benchmark. Selection in financials and utilities also helped. In noncorporate credit, an underweighting of local authority bonds and supranationals contributed, as did selection in sovereigns. An out-of-benchmark allocation to agency MBS pass-throughs also boosted relative returns.

Portfolio positioning

We remain balanced on the intermediate-term outlook for equity markets. On the encouraging side, the uncertainty surrounding the election is largely behind us. And with all the vaccine progress, we can begin to conceive of a post-COVID economy. However, we appreciate the logistical challenges of

vaccine production and distribution and recognize the economic uncertainty that still lies ahead.

At the portfolio level, we are excited about the prospects for many individual businesses. Large-cap financials Charles Schwab and JPMorgan Chase show strong underlying growth despite the difficult rate environment. Across sectors, businesses such as McDonald's, HCA, Facebook, Danaher, Blackstone, and Home Depot have all navigated the difficult conditions far better than expected. Pharmaceutical giant Pfizer has been one of the leaders in developing a COVID-19 vaccine. IT companies such as Google and Microsoft continue to achieve success across a range of businesses, products, and shareholders.

Over the year, we initiated new positions in Facebook, Procter & Gamble, and medical supply company Becton Dickinson. We believe that Facebook has shown excellent business resilience and has benefited from the accelerating shift to digital. It is investing to extend its competitive advantage, and we believe it still has a long runway for growth. Procter & Gamble has an excellent management team with solid market-share dynamics across key products that have continued to execute well. Nine of its 10 product categories have grown organically despite the difficult economic environment. Becton Dickinson makes a wide range of everyday products that are essential to the delivery of health care. It has a stable demand profile, with a dominant market-share position across most categories.

Although the portfolio remains overweight in financials, we significantly reduced our positioning in the sector during the year: We eliminated several holdings because we were less confident they could create value at an attractive rate over time. The portfolio remains underweight in IT,

though we added to the sector over the year by buying competitively advantaged, growing businesses with strong management teams.

We remain committed to our investment philosophy and process of constructing a portfolio of resilient businesses at reasonable valuations run by management teams that are likely to make value-enhancing decisions over the long term. Our goal is to deliver a superior rate of economic growth (earnings plus dividends) over the long term and provide downside protection in difficult economic and market environments.

On the fixed income side, we believe that credit valuations are modestly high in the face of near-term uncertainty. We expect the Fed to hold short rates low while long rates could rise over time as economic activity rebounds after the vaccine rollout. We have positioned the portfolio's fixed income portion with a slight duration underweight relative to the benchmark.

While fundamentals are likely to remain strained for the medium term, credit markets continue to be our main investment focus and are well-supported by global central bank policy. We are underweight in corporate credit relative to the all-credit benchmark, with a bias toward defensive sectors with lower earnings volatility while also seeking opportunities to move up in credit quality. On an industry basis, the portfolio is overweight in less-cyclical sectors such as communications and utilities while remaining cautious about more cyclical ones such as energy. We remain overweight in taxable municipals given their diversification benefit and resilient underlying credit quality coupled with relatively attractive valuations.

The fixed income portfolio maintains an out-of-benchmark allocation to U.S. governments and an out-of-benchmark

agency MBS allocation. We believe that agency MBS, beyond providing strong liquidity, are well-supported by Fed buying despite concerns about prepayment speeds. The portfolio holds MBS pass-throughs, focusing on low-coupon To-Be-Announced (TBA) securities to maintain carry and liquidity, as well as collateralized mortgage obligations and a modest allocation to delegated underwriting and servicing for their stable cash flows.

Consistent with our practices, we hold adequate liquidity in the portfolio's fixed income portion, notably government bonds and agency MBS as our "all-weather" liquidity buffer. This buffer should provide downside protection for shareholders if the economic cycle or the equity portfolios, or both, take an unfavorable turn.

We remain disciplined in applying our investment process, which allows us to create a balanced portfolio that we believe should perform well in various environments. We remain focused on long-term, low-turnover investing—features that we believe will serve the portfolio's shareholders well over time.

Portfolio Managers:

Daniel J. Pozen
Senior Managing Director and
Equity Portfolio Manager

Michael E. Stack, CFA,
Senior Managing Director and
Fixed Income Portfolio Manager

Loren L. Moran, CFA,
Senior Managing Director and
Fixed Income Portfolio Manager

Wellington Management Company LLP

January 21, 2021

About Your Portfolio's Expenses

As a shareholder of the portfolio, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a portfolio's gross income, directly reduce the investment return of the portfolio.

A portfolio's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your portfolio and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your portfolio's costs in two ways:

- **Based on actual portfolio return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the portfolio's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the portfolio. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, 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 given for your portfolio under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your portfolio's costs with those of other mutual funds. It assumes that the portfolio had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the portfolio's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your portfolio's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the portfolio for buying and selling securities. The portfolio's expense ratio does not reflect additional fees and expenses associated with the annuity or life insurance program through which you invest.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the portfolio's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your portfolio's current prospectus.

Six Months Ended December 31, 2020

	Beginning Account Value 6/30/2020	Ending Account Value 12/31/2020	Expenses Paid During Period
Balanced Portfolio			
Based on Actual Portfolio Return	\$1,000.00	\$1,144.90	\$1.08
Based on Hypothetical 5% Yearly Return	1,000.00	1,024.13	1.02

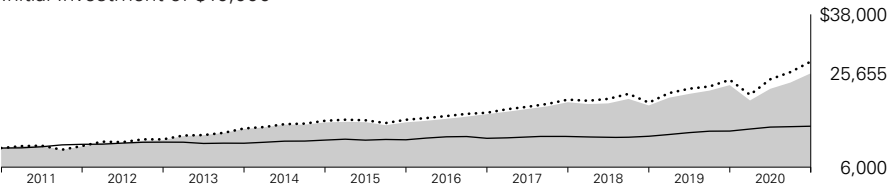
The calculations are based on expenses incurred in the most recent six-month period. The portfolio's annualized six-month expense ratio for that period is 0.20%. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (184/366).

Balanced Portfolio

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the portfolio. (Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on portfolio distributions or on the sale of portfolio shares. Nor do the returns reflect fees and expenses associated with the annuity or life insurance program through which a shareholder invests. If these fees and expenses were included, the portfolio's returns would be lower.

Cumulative Performance: December 31, 2010, Through December 31, 2020
Initial Investment of \$10,000



	Average Annual Total Returns Periods Ended December 31, 2020			Final Value of a \$10,000 Investment
	One Year	Five Years	Ten Years	
Balanced Portfolio	10.68%	10.77%	9.88%	\$25,655
Composite Stock/Bond Index	15.80	12.03	10.89	28,114
Dow Jones U.S. Total Stock Market Float Adjusted Index	20.79	15.36	13.74	36,240

Composite Stock/Bond Index: Weighted 65% S&P 500 Index and 35% Bloomberg Barclays U.S. Credit A or Better Bond Index

Portfolio Allocation

As of December 31, 2020

Asset-Backed/Commercial Mortgage-Backed Securities	0.8%
Common Stocks	67.3
Corporate Bonds	23.4
Sovereign Bonds	0.6
Taxable Municipal Bonds	1.9
U.S. Government and Agency Obligations	6.0

The table reflects the portfolio's investments, except for short-term investments and derivatives. The agency and mortgage-backed securities may include issues from government-sponsored enterprises; such issues are generally not backed by the full faith and credit of the U.S. government.

Financial Statements

Schedule of Investments

As of December 31, 2020

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

	Shares	Market Value• (\$000)		Shares	Market Value• (\$000)		Shares	Market Value• (\$000)
Common Stocks (65.2%)								
Communication Services (8.2%)			Blackstone Group Inc. Class A	434,705	28,173	Vinci SA	125,325	12,484
* Alphabet Inc. Class A	82,844	145,196	American Express Co.	232,840	28,153			209,843
* Facebook Inc. Class A	293,753	80,242	Prudential plc	749,489	13,782	Information Technology (14.6%)		
Comcast Corp. Class A	901,613	47,244	Morgan Stanley	174,647	11,968	Microsoft Corp.	689,992	153,468
		272,682			337,523	Apple Inc.	821,664	109,027
Consumer Discretionary (6.5%)			Health Care (10.0%)			¹ Taiwan Semiconductor Manufacturing Co. Ltd. ADR	486,054	52,999
McDonald's Corp.	344,722	73,970	Pfizer Inc.	1,242,779	45,747	Texas Instruments Inc.	278,340	45,684
TJX Cos. Inc.	781,754	53,386	UnitedHealth Group Inc.	124,051	43,502	Global Payments Inc.	190,047	40,940
Home Depot Inc.	172,884	45,922	Becton Dickinson and Co.	173,224	43,344	Accenture plc Class A	68,303	17,841
* Alibaba Group Holding Ltd. ADR	125,691	29,252	Novartis AG (Registered)	396,702	37,353	Lam Research Corp.	34,130	16,119
Dollar General Corp.	53,243	11,197	Abbott Laboratories	295,052	32,305	KLA Corp.	56,045	14,511
* Airbnb Inc. Class A	15,900	2,334	HCA Healthcare Inc.	168,139	27,652	Cisco Systems Inc.	291,360	13,038
		216,061	Anthem Inc.	82,350	26,442	Fidelity National Information Services Inc.	84,617	11,970
Consumer Staples (5.6%)			AstraZeneca plc ADR	515,479	25,769	* salesforce.com Inc.	44,173	9,830
Procter & Gamble Co.	397,188	55,265	Humana Inc.	54,132	22,209	* Vontier Corp.	76,448	2,553
Coca-Cola Co.	822,511	45,106	Danaher Corp.	76,236	16,935			487,980
Nestle SA (Registered)	331,748	39,216	Baxter International Inc.	170,118	13,650	Real Estate (0.6%)		
Sysco Corp.	518,110	38,475			334,908	American Tower Corp.	94,735	21,264
Diageo plc	230,934	9,138	Industrials (6.3%)			Utilities (2.0%)		
		187,200	Union Pacific Corp.	135,311	28,174	Exelon Corp.	822,937	34,744
Energy (1.3%)			Deere & Co.	101,067	27,192	Duke Energy Corp.	364,316	33,357
TOTAL SE	1,028,578	44,396	Raytheon Technologies Corp.	353,916	25,309			68,101
Financials (10.1%)			Trane Technologies plc	165,731	24,057	Total Common Stocks (Cost \$1,533,656)		
JPMorgan Chase & Co.	542,891	68,985	Northrop Grumman Corp.	73,519	22,403			2,179,958
Charles Schwab Corp.	1,194,620	63,363	Schneider Electric SE	133,501	19,295			
BlackRock Inc.	59,513	42,941	Fortive Corp.	263,647	18,671			
Bank of America Corp.	1,356,968	41,130	Lockheed Martin Corp.	49,665	17,630			
Progressive Corp.	394,706	39,028	United Parcel Service Inc. Class B	86,866	14,628			

	Coupon	Maturity Date	Face Amount (\$000)	Market Value• (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value• (\$000)
U.S. Government and Agency Obligations (5.9%)						U.S. Treasury Note/Bond	0.250%	5/31/25	13,400
U.S. Government Securities (5.0%)						U.S. Treasury Note/Bond	0.250%	7/31/25	5,655
U.S. Treasury Note/Bond	0.125%	10/31/22	20,050	20,050		U.S. Treasury Note/Bond	0.250%	8/31/25	4,800
U.S. Treasury Note/Bond	0.125%	11/30/22	2,800	2,800		U.S. Treasury Note/Bond	0.250%	10/31/25	19,000
U.S. Treasury Note/Bond	2.500%	3/31/23	7,915	8,333		U.S. Treasury Note/Bond	0.625%	5/15/30	5,870
U.S. Treasury Note/Bond	0.125%	5/15/23	3,005	3,004		U.S. Treasury Note/Bond	0.875%	11/15/30	8,290
U.S. Treasury Note/Bond	2.625%	6/30/23	6,650	7,059		U.S. Treasury Note/Bond	1.125%	8/15/40	6,050
U.S. Treasury Note/Bond	2.875%	10/31/23	5,600	6,029		U.S. Treasury Note/Bond	3.125%	8/15/44	1,740
U.S. Treasury Note/Bond	2.625%	12/31/23	6,400	6,868		U.S. Treasury Note/Bond	2.250%	8/15/46	88
U.S. Treasury Note/Bond	1.750%	6/30/24	12,675	13,352		U.S. Treasury Note/Bond	2.250%	8/15/49	10
U.S. Treasury Note/Bond	1.500%	10/31/24	4,100	4,297		U.S. Treasury Note/Bond	2.000%	2/15/50	2,116
U.S. Treasury Note/Bond	1.125%	2/28/25	6,395	6,620					2,297

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
U.S. Treasury Note/Bond	1.250%	5/15/50	1,394	1,264
U.S. Treasury Note/Bond	1.375%	8/15/50	6,475	6,058
U.S. Treasury Note/Bond	1.625%	11/15/50	15,060	14,985
				167,850

Conventional Mortgage-Backed Securities (0.4%)

^{3,4} Fannie Mae Pool	2.780%	6/1/26	1,025	1,124
^{3,4} Fannie Mae Pool	3.070%	2/1/25	500	543
^{3,4} Freddie Mac Gold Pool	4.000%	9/1/41	3	3
³ Ginnie Mae I Pool	7.000%	11/15/31 - 11/15/33	51	59
³ Ginnie Mae I Pool	8.000%	9/15/30	39	47
^{3,4,5} UMBS Pool	1.500%	1/16/36	2,200	2,264
^{3,4,5} UMBS Pool	2.000%	1/16/36	6,800	7,112
^{3,4} UMBS Pool	2.500%	4/1/37 - 4/1/38	1,360	1,433
				12,585

Nonconventional Mortgage-Backed Securities (0.5%)

^{3,4} Fannie Mae REMICS	1.500%	8/25/41 - 6/25/42	547	554
^{3,4} Fannie Mae REMICS	1.700%	6/25/43	110	112
³ Fannie Mae REMICS	2.000%	6/25/44	113	115
^{3,4} Fannie Mae REMICS	3.000%	2/25/49 - 9/25/57	2,535	2,677
^{3,4} Fannie Mae REMICS	3.500%	4/25/31 - 6/25/59	8,239	8,852
^{3,4} Fannie Mae REMICS	4.000%	5/25/31 - 7/25/53	430	458
^{3,4} Freddie Mac REMICS	3.000%	12/15/39	103	104
^{3,4} Freddie Mac REMICS	3.500%	3/15/31	88	95
^{3,4} Freddie Mac REMICS	4.000%	12/15/30 - 4/15/31	1,793	1,965
³ Ginnie Mae	1.700%	10/20/45	193	195
³ Ginnie Mae	1.800%	5/20/41	184	184
				15,311

Total U.S. Government and Agency Obligations (Cost \$192,234)	195,746
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Asset-Backed/Commercial Mortgage-Backed Securities (0.8%)

^{3,6} Asset Trust Class A Series 2019-1	3.844%	5/15/39	395	373
^{3,6} American Tower Trust #1 Class 2A Series 13	3.070%	3/15/48	1,100	1,120
³ AmeriCredit Automobile Receivables Trust Class C Series 2016-3	2.240%	4/8/22	18	18
^{3,6,7} Angel Oak Mortgage Trust Class A1 Series 2019-5	2.593%	10/25/49	314	318
^{3,6,7} Angel Oak Mortgage Trust Class A1 Series 2019-6	2.620%	11/25/59	733	742
^{3,6,7} Angel Oak Mortgage Trust I LLC Class A1 Series 2019-2	3.628%	3/25/49	151	154
^{3,6,7} Angel Oak Mortgage Trust I LLC Class A1 Series 2019-4	2.993%	7/26/49	520	524
^{3,6,7} Atlas Senior Loan Fund X Ltd Class A Series 2018-10A, 3M USD LIBOR + 1.090%	1.327%	1/15/31	246	243
^{3,6,7} Avery Point IV CLO Ltd. Class AR Series 2014-1A, 3M USD LIBOR + 1.100%	1.315%	4/25/26	123	123

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
^{3,6} Canadian Pacer Auto Receivables Trust Class A3 Series 2018-2A	3.270%	12/19/22	86	87
^{3,6} Castlake Aircraft Structured Trust Class A Series 2019-1A	3.967%	4/15/39	734	698
^{3,6} Chesapeake Funding II LLC Class A1 Series 2017-A1	1.990%	5/15/29	9	9
^{3,6} Chesapeake Funding II LLC Class A1 Series 2018-1A	3.040%	4/15/30	415	420
^{3,6} Chesapeake Funding II LLC Class A1 Series 2018-3A	3.390%	1/15/31	495	507
^{3,6,7} Cloud Pass-Through Trust Class CLOU Series 2019-1A	3.554%	12/5/22	364	370
^{3,6,7} COLT Mortgage Loan Trust Class A1 Series 2019-2	3.337%	5/25/49	221	222
^{3,6,7} COLT Mortgage Loan Trust Class A1 Series 2020-1	2.488%	2/25/50	416	421
^{3,6,7} Columbia Cent CLO 27 Ltd. Class A1 Series 2018-27A, 3M USD LIBOR + 1.150%	1.365%	10/25/28	550	548
³ COMM Mortgage Trust Class A4 Series 2012-CR2	3.147%	8/15/45	480	493
^{3,6} DB Master Finance LLC Class A2I Series 2019-1A	3.787%	5/20/49	449	460
^{3,6} DB Master Finance LLC Class A2II Series 2019-1A	4.021%	5/20/49	400	421
^{3,6,7} Deephave Residential Mortgage Trust Class A1 Series 2019-2A	3.558%	4/25/59	206	208
^{3,6} Enterprise Fleet Financing LLC Class A2 Series 2018-1	2.870%	10/20/23	84	85
^{3,6} Enterprise Fleet Financing LLC Class A2 Series 2018-3	3.380%	5/20/24	214	216
^{3,6} Enterprise Fleet Financing LLC Class A2 Series 2019-1	2.980%	10/20/24	395	400
^{3,6} Enterprise Fleet Financing LLC Class A2 Series 2019-2	2.290%	2/20/25	697	709
^{3,6} Enterprise Fleet Financing LLC Class A2 Series 2019-3	2.060%	5/20/25	530	538
^{3,6} Enterprise Fleet Financing LLC Class A3 Series 2018-A3	3.100%	10/20/23	270	274
^{3,6} Exeter Automobile Receivables Trust Class A Series 2019-4A	2.180%	1/17/23	69	69

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
3.4,7 Fannie Mae Connecticut Avenue Securities Class 2M2 Series 2016-C03, 1M USD LIBOR + 5.900%	6.048%	10/25/28	165	174	3.6 OneMain Financial Issuance Trust Class A1 Series 2017-1A	2.370%	9/14/32	51	51
3.4 Freddie Mac Multifamily Structured Pass Through Certificates Class A2 Series K736	2.282%	7/25/26	885	954	3.6 Santander Retail Auto Lease Trust Class A2 Series 2019-A	2.720%	1/20/22	124	124
3.4 Freddie Mac Multifamily Structured Pass Through Certificates Class A2 Series KJ25	2.610%	1/25/26	525	566	3.6 Santander Retail Auto Lease Trust Class A3 Series 2019-B	2.300%	1/20/23	345	351
3.4 Freddie Mac Multifamily Structured Pass Through Certificates Class A3 Series K-1512	3.059%	4/25/34	300	346	3 Seasoned Credit Risk Transfer Trust Class MA Series 2018-4	3.500%	3/25/58	611	653
3.4 Freddie Mac Multifamily Structured Pass Through Certificates Class A3 Series K-1513	2.797%	8/25/34	300	340	3 Seasoned Credit Risk Transfer Trust Class MA Series 2019-1	3.500%	7/25/58	883	941
3.6 Hertz Fleet Lease Funding LP Class A2 Series 2019-1	2.700%	1/10/33	599	607	3 Seasoned Credit Risk Transfer Trust Class MA Series 2019-3	3.500%	10/25/58	1,375	1,483
3.6 Horizon Aircraft Finance II Ltd. Class A Series 2019-1	3.721%	7/15/39	314	303	3.6 Securitized Term Auto Receivables Trust Class A3 Series 2018-2A	3.325%	8/25/22	247	248
3.6 Horizon Aircraft Finance III Ltd. Class A Series 2019-1	3.425%	11/15/39	314	303	3.6,7 Seneca Park CLO Ltd. Class AR Series 2014-1A, 3M USD LIBOR + 1.120%	1.338%	7/17/26	10	10
3.6 MACH 1 Cayman Ltd. Class A Series 2019-1	3.474%	10/15/39	343	331	3.6,7 SFAVE Commercial Mortgage Securities Trust Class A2B Series 2015-5AVE	4.144%	1/5/43	700	657
3.6,7 Madison Park Funding XII Ltd. Class AR Series 2014-12A, 3M USD LIBOR + 1.260%	1.478%	7/20/26	77	77	3.6 SoFi Consumer Loan Program Trust Class A Series 2018-4	3.540%	11/26/27	60	60
3.6,7 Madison Park Funding XIII Ltd. Class AR2 Series 2014-13A, 3M USD LIBOR + 0.950%	1.168%	4/19/30	930	929	3.6 SoFi Consumer Loan Program Trust Class A Series 2019-1	3.240%	2/25/28	144	145
3.6 MAPS Ltd. Class A Series 2019-1A	4.458%	3/15/44	215	204	3.6 SoFi Consumer Loan Program Trust Class A Series 2020-1	2.020%	1/25/29	353	356
3.6,7 Master Credit Card Trust II Class A Series 2018-1A, 1M USD LIBOR + 0.490%	0.642%	7/21/24	1,000	996	3.6 Springleaf Funding Trust Class A Series 2015-BA	3.480%	5/15/28	240	241
3.6 OneMain Direct Auto Receivables Trust Class A Series 2018-1A	3.430%	12/16/24	655	662	3.6 Start III LTD Class A Series 2019-2	3.536%	11/15/44	29	28
3.6 OneMain Financial Issuance Trust Class A Series 2019-1A	3.480%	2/14/31	1,000	1,003	3.6 START Ireland Class A Series 2019-1	4.089%	3/15/44	365	342
					3.6,7 Symphony CLO XIV Ltd Class AR Series 2014-14A, 3M USD LIBOR + 0.950%	1.179%	7/14/26	832	828
					3.6,7 Thatcher Park CLO Ltd Class AR Series 2014-1A, 3M USD LIBOR + 1.160%	1.378%	10/20/26	84	84
					3.6,7 Towd Point Mortgage Trust Class A1 Series 2016-3	2.250%	4/25/56	21	21
					3.6 Vantage Data Centers Issuer LLC Class A2 Series 2019-1A	3.188%	7/15/44	266	279

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		
3,6	Vantage Data Centers LLC Class A2 Series 2020-1A	1.645%	9/15/45	855	852		Comcast Corp.	3.999%	11/1/49	602	757
							Comcast Corp.	4.049%	11/1/52	1,187	1,516
							Comcast Corp.	4.950%	10/15/58	20	30
3,6,7	Verus Securitization Trust Class A1 Series 2019-2					6	Comcast Corp.	2.650%	8/15/62	615	615
							Cox Communications Inc.				
								3.250%	12/15/22	795	836
3,6,7	Voya CLO Ltd. Class AAR2 Series 2014-1A, 3M USD LIBOR + 0.990%	1.208%	4/18/31	511	508	6	Cox Communications Inc.	2.950%	6/30/23	145	153
							Cox Communications Inc.	3.150%	8/15/24	181	196
3,6	Westlake Automobile Receivables Trust Class A2 Series 2019-3A	2.150%	2/15/23	222	223	6	Cox Communications Inc.	4.800%	2/1/35	1,540	1,939
						6	Cox Communications Inc.	6.450%	12/1/36	45	63
Total Asset-Backed/Commercial Mortgage-Backed Securities (Cost \$27,144)					27,308						
Corporate Bonds (22.6%)											
Communications (1.9%)											
	America Movil SAB de CV	3.125%	7/16/22	1,880	1,955	6	Cox Communications Inc.	4.600%	8/15/47	125	161
	America Movil SAB de CV	3.625%	4/22/29	780	883	6	Deutsche Telekom International Finance BV	3.600%	1/19/27	300	336
	America Movil SAB de CV	6.125%	3/30/40	390	576	6	Deutsche Telekom International Finance BV	4.375%	6/21/28	671	796
	AT&T Inc.	2.750%	6/1/31	1,305	1,391		NBCUniversal Media LLC	4.450%	1/15/43	309	403
	AT&T Inc.	3.650%	6/1/51	162	169		Orange SA	4.125%	9/14/21	1,740	1,783
	AT&T Inc.	3.850%	6/1/60	598	627		Orange SA	9.000%	3/1/31	530	867
6	British Telecommunications plc	3.250%	11/8/29	905	995	6	SK Telecom Co. Ltd.	3.750%	4/16/23	385	411
	Charter Communications Operating LLC / Charter Communications Operating Capital	5.375%	5/1/47	110	137	6	Sky Ltd.	3.750%	9/16/24	1,435	1,599
						3,6	Sprint Spectrum Co LLC / Sprint Spectrum Co II LLC / Sprint Spectrum Co III LLC	4.738%	9/20/29	1,300	1,412
	Charter Communications Operating LLC / Charter Communications Operating Capital	5.125%	7/1/49	94	114		Telefonica Emisiones SA	5.213%	3/8/47	800	1,027
							Telefonica Emisiones SA	5.520%	3/1/49	1,055	1,422
	Charter Communications Operating LLC / Charter Communications Operating Capital	4.800%	3/1/50	127	151	6	Tencent Holdings Ltd.	3.575%	4/11/26	200	222
						6	Tencent Holdings Ltd.	3.595%	1/19/28	2,495	2,752
	Comcast Corp.	3.600%	3/1/24	2,900	3,182	6	Tencent Holdings Ltd.	3.975%	4/11/29	925	1,054
	Comcast Corp.	3.375%	2/15/25	70	77		Time Warner Entertainment Co. LP	8.375%	3/15/23	95	111
	Comcast Corp.	4.250%	1/15/33	1,032	1,289	6	T-Mobile USA Inc.	2.050%	2/15/28	900	936
	Comcast Corp.	4.200%	8/15/34	730	915	6	T-Mobile USA Inc.	3.875%	4/15/30	710	822
	Comcast Corp.	5.650%	6/15/35	110	156	6	T-Mobile USA Inc.	3.300%	2/15/51	580	597
	Comcast Corp.	4.400%	8/15/35	877	1,111		Verizon Communications Inc.	4.329%	9/21/28	675	811
	Comcast Corp.	6.500%	11/15/35	115	177		Verizon Communications Inc.	4.812%	3/15/39	2,406	3,118
	Comcast Corp.	6.400%	5/15/38	27	42		Verizon Communications Inc.	4.750%	11/1/41	290	382
	Comcast Corp.	4.600%	10/15/38	1,335	1,750		Verizon Communications Inc.	4.862%	8/21/46	1,151	1,545
	Comcast Corp.	4.650%	7/15/42	1,290	1,741		Verizon Communications Inc.	5.012%	4/15/49	69	96
	Comcast Corp.	4.500%	1/15/43	500	658		Verizon Communications Inc.	4.672%	3/15/55	274	365
	Comcast Corp.	4.750%	3/1/44	876	1,200	6	Verizon Communications Inc.	2.987%	10/30/56	731	734
	Comcast Corp.	4.600%	8/15/45	1,198	1,600						
	Comcast Corp.	3.969%	11/1/47	252	314						
	Comcast Corp.	4.000%	3/1/48	345	431						
	Comcast Corp.	4.700%	10/15/48	1,175	1,633						

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
ViacomCBS Inc.	3.700%	6/1/28	440	502	VF Corp.	2.800%	4/23/27	595	650
Vodafone Group plc	5.000%	5/30/38	50	65	VF Corp.	2.950%	4/23/30	1,320	1,452
Vodafone Group plc	5.250%	5/30/48	1,260	1,747	Yale University	2.402%	4/15/50	480	494
Walt Disney Co.	3.000%	9/15/22	245	256					
Walt Disney Co.	2.000%	9/1/29	2,600	2,713					36,917
Walt Disney Co.	2.650%	1/13/31	170	186	Consumer Staples (1.3%)				
Walt Disney Co.	3.500%	5/13/40	1,490	1,748	⁶ Alimentation				
Walt Disney Co.	2.750%	9/1/49	560	592	Couche-Tard Inc.	3.550%	7/26/27	2,450	2,756
Walt Disney Co.	3.600%	1/13/51	805	977	Altria Group Inc.	2.850%	8/9/22	455	473
Walt Disney Co.	3.800%	5/13/60	485	609	Altria Group Inc.	5.800%	2/14/39	770	1,012
				63,086	Altria Group Inc.	4.500%	5/2/43	245	281
Consumer Discretionary (1.1%)					Altria Group Inc.	3.875%	9/16/46	625	658
Alibaba Group Holding Ltd.	3.600%	11/28/24	1,065	1,171	Anheuser-Busch Cos. LLC / Anheuser-Busch InBev				
Alibaba Group Holding Ltd.	3.400%	12/6/27	3,470	3,876	Worldwide Inc.	4.700%	2/1/36	1,290	1,633
Amazon.com Inc.	2.800%	8/22/24	345	373	Anheuser-Busch Cos. LLC / Anheuser-Busch InBev				
Amazon.com Inc.	4.800%	12/5/34	995	1,361	Worldwide Inc.	4.900%	2/1/46	1,940	2,516
Amazon.com Inc.	4.950%	12/5/44	580	847	Anheuser-Busch InBev				
Amazon.com Inc.	4.250%	8/22/57	1,335	1,884	Worldwide Inc.	3.750%	7/15/42	520	585
AutoZone Inc.	3.700%	4/15/22	1,371	1,420	Anheuser-Busch InBev				
⁶ BMW U.S. Capital LLC	2.000%	4/11/21	585	587	Worldwide Inc.	4.600%	4/15/48	395	500
⁶ BMW U.S. Capital LLC	2.250%	9/15/23	2,500	2,607	Archer-Daniels-Midland Co.	4.500%	3/15/49	970	1,383
⁶ Daimler Finance North America LLC	2.300%	2/12/21	945	947	BAT Capital Corp.	3.557%	8/15/27	1,875	2,088
⁶ Daimler Finance North America LLC	3.250%	8/1/24	160	173	⁶ Cargill Inc.	4.307%	5/14/21	2,092	2,122
³ Duke University	2.832%	10/1/55	775	841	⁶ Cargill Inc.	6.875%	5/1/28	645	843
Emory University	2.143%	9/1/30	770	809	⁶ Cargill Inc.	2.125%	4/23/30	225	237
⁶ ERAC USA Finance LLC	4.500%	8/16/21	325	333	⁶ Cargill Inc.	4.760%	11/23/45	635	856
⁶ ERAC USA Finance LLC	3.300%	10/15/22	40	42	⁶ CK Hutchison International 20 Ltd.	3.375%	5/8/50	560	639
⁶ ERAC USA Finance LLC	7.000%	10/15/37	1,150	1,767	Colgate Palmolive Co.	7.600%	5/19/25	480	614
⁶ ERAC USA Finance LLC	5.625%	3/15/42	340	473	Conagra Brands Inc.	4.600%	11/1/25	220	259
General Motors Financial Co. Inc.	3.550%	4/9/21	455	458	Conagra Brands Inc.	1.375%	11/1/27	345	347
General Motors Financial Co. Inc.	3.950%	4/13/24	1,570	1,705	Conagra Brands Inc.	5.300%	11/1/38	300	399
Georgetown University	4.315%	4/1/49	150	191	Constellation Brands Inc.	2.700%	5/9/22	65	67
Georgetown University	2.943%	4/1/50	295	295	⁶ Constellation Brands Inc.	3.750%	5/1/50	105	123
Home Depot Inc.	3.900%	12/6/28	290	347	Danone SA	2.947%	11/2/26	735	807
Home Depot Inc.	3.300%	4/15/40	825	971	Diageo Capital plc	2.625%	4/29/23	1,230	1,288
Home Depot Inc.	4.400%	3/15/45	780	1,039	Diageo Capital plc	2.375%	10/24/29	580	623
Home Depot Inc.	4.500%	12/6/48	345	484	Diageo Capital plc	2.000%	4/29/30	265	275
^{6,7} Hyundai Capital America, 3M USD LIBOR + 0.940%	1.170%	7/8/21	1,400	1,402	Diageo Investment Corp.	2.875%	5/11/22	525	543
³ Johns Hopkins University	4.083%	7/1/53	200	265	Estee Lauder Cos. Inc.	2.375%	12/1/29	370	400
³ Johns Hopkins University	2.813%	1/1/60	180	190	⁶ Imperial Brands Finance plc	3.750%	7/21/22	1,680	1,752
Lowe's Cos. Inc.	3.100%	5/3/27	1,300	1,457	Kroger Co.	3.850%	8/1/23	270	291
Lowe's Cos. Inc.	6.500%	3/15/29	334	452	Kroger Co.	4.000%	2/1/24	540	592
McDonald's Corp.	2.625%	1/15/22	195	200	McCormick & Co. Inc.	2.500%	4/15/30	135	145
McDonald's Corp.	3.250%	6/10/24	140	153	Molson Coors Beverage Co.	3.500%	5/1/22	690	718
McDonald's Corp.	4.875%	12/9/45	1,160	1,565	Molson Coors Beverage Co.	3.000%	7/15/26	1,800	1,974
McDonald's Corp.	3.625%	9/1/49	470	548	PepsiCo Inc.	2.375%	10/6/26	1,945	2,115
⁶ Meituan	3.050%	10/28/30	230	240	PepsiCo Inc.	4.000%	3/5/42	845	1,086
³ Northeastern University	2.894%	10/1/50	225	237	PepsiCo Inc.	3.450%	10/6/46	1,215	1,458
President and Fellows of Harvard College	2.517%	10/15/50	515	548	Philip Morris International Inc.	2.500%	8/22/22	575	596
Starbucks Corp.	4.500%	11/15/48	1,471	1,894	Philip Morris International Inc.	2.625%	3/6/23	1,150	1,209
³ University of Chicago	2.761%	4/1/45	165	169	Philip Morris International Inc.	3.600%	11/15/23	620	676

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
Philip Morris International Inc.	3.375%	8/11/25	424	472
Philip Morris International Inc.	4.875%	11/15/43	145	192
³ Procter & Gamble Co.	9.360%	1/1/21	122	122
⁶ Sigma Alimentos SA de CV	4.125%	5/2/26	510	562
Unilever Capital Corp.	4.250%	2/10/21	2,805	2,815
Walmart Inc.	3.550%	6/26/25	1,605	1,816
Walmart Inc.	3.625%	12/15/47	380	481
				43,399

Energy (1.2%)

⁶ BG Energy Capital plc	4.000%	10/15/21	555	570
BP Capital Markets America Inc.	3.245%	5/6/22	650	675
BP Capital Markets America Inc.	1.749%	8/10/30	345	346
BP Capital Markets plc	3.062%	3/17/22	1,100	1,136
BP Capital Markets plc	2.500%	11/6/22	500	519
BP Capital Markets plc	3.994%	9/26/23	420	460
BP Capital Markets plc	3.814%	2/10/24	1,700	1,866
BP Capital Markets plc	3.506%	3/17/25	1,280	1,427
Chevron Corp.	3.191%	6/24/23	525	557
Cimarex Energy Co.	4.375%	6/1/24	927	1,007
ConocoPhillips Co.	4.950%	3/15/26	115	138
Energy Transfer Operating LP	5.250%	4/15/29	1,375	1,597
Energy Transfer Operating LP	5.300%	4/15/47	155	171
Enterprise Products Operating LLC	4.250%	2/15/48	730	851
Enterprise Products Operating LLC	3.700%	1/31/51	170	186
Equinor ASA	2.750%	11/10/21	850	868
Equinor ASA	2.450%	1/17/23	382	399
Equinor ASA	2.650%	1/15/24	360	382
Equinor ASA	3.700%	3/1/24	640	702
Equinor ASA	3.250%	11/10/24	655	721
Equinor ASA	2.875%	4/6/25	140	152
Equinor ASA	3.125%	4/6/30	2,350	2,656
Equinor ASA	2.375%	5/22/30	335	355
Exxon Mobil Corp.	2.726%	3/1/23	320	335
Exxon Mobil Corp.	3.043%	3/1/26	225	249
Exxon Mobil Corp.	2.275%	8/16/26	1,070	1,152
Exxon Mobil Corp.	2.440%	8/16/29	735	786
Exxon Mobil Corp.	2.610%	10/15/30	1,055	1,151
Exxon Mobil Corp.	4.114%	3/1/46	320	394
Phillips 66 Partners LP	3.750%	3/1/28	1,525	1,646
⁶ Saudi Arabian Oil Co.	3.500%	4/16/29	630	700
⁶ Schlumberger Holdings Corp.	3.900%	5/17/28	807	909
⁶ Schlumberger Investment SA	2.400%	8/1/22	630	646
Schlumberger Investment SA	3.650%	12/1/23	1,120	1,214
Shell International Finance BV	4.125%	5/11/35	1,130	1,404
Shell International Finance BV	5.500%	3/25/40	345	496
Shell International Finance BV	4.375%	5/11/45	2,500	3,289
⁶ Sinopec Group Overseas Development 2015 Ltd.	3.250%	4/28/25	1,615	1,732

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
⁶ Sinopec Group Overseas Development 2017 Ltd.	3.000%	4/12/22	850	871
Suncor Energy Inc.	5.950%	12/1/34	500	653
Sunoco Logistics Partners Operations LP	5.350%	5/15/45	90	100
Sunoco Logistics Partners Operations LP	5.400%	10/1/47	20	22
Total Capital International SA	2.700%	1/25/23	885	928
Total Capital International SA	3.750%	4/10/24	1,400	1,553
TransCanada PipeLines Ltd.	4.875%	1/15/26	1,255	1,487
TransCanada PipeLines Ltd.	4.100%	4/15/30	415	486
				39,944

Financials (7.8%)

⁶ AIA Group Ltd.	3.600%	4/9/29	1,475	1,670
⁶ AIA Group Ltd.	3.375%	4/7/30	370	415
American Express Credit Corp.	2.700%	3/3/22	1,505	1,544
American International Group Inc.	4.250%	3/15/29	1,040	1,247
American International Group Inc.	4.500%	7/16/44	200	256
American International Group Inc.	4.750%	4/1/48	135	181
⁶ Australia & New Zealand Banking Group Ltd.	2.570%	11/25/35	685	695
Banco Santander SA	3.125%	2/23/23	800	842
Banco Santander SA	3.848%	4/12/23	400	429
Banco Santander SA	2.749%	12/3/30	400	412
Bank of America Corp.	3.300%	1/11/23	120	127
Bank of America Corp.	2.816%	7/21/23	1,645	1,709
Bank of America Corp.	4.000%	1/22/25	875	979
Bank of America Corp.	3.559%	4/23/27	2,450	2,759
Bank of America Corp.	3.593%	7/21/28	1,025	1,158
Bank of America Corp.	3.419%	12/20/28	512	578
Bank of America Corp.	4.271%	7/23/29	4,780	5,686
Bank of America Corp.	3.974%	2/7/30	1,895	2,223
Bank of America Corp.	3.194%	7/23/30	1,055	1,177
Bank of America Corp.	2.496%	2/13/31	1,495	1,586
Bank of America Corp.	5.875%	2/7/42	260	395
Bank of America Corp.	5.000%	1/21/44	1,000	1,393
Bank of America Corp.	4.330%	3/15/50	2,235	2,924
Bank of Montreal	3.100%	4/13/21	1,290	1,300
⁶ Bank of Montreal	2.500%	1/11/22	1,700	1,737
Bank of New York Mellon Corp.	2.200%	8/16/23	460	482
Bank of New York Mellon Corp.	3.000%	2/24/25	720	790

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
⁷	Bank of New York Mellon Corp., 3M USD LIBOR + 1.050%	10/30/23	1,145	1,157	⁶	Equitable Financial Life Global Funding	7/7/25	370	378
	Bank of Nova Scotia	7/21/21	750	760	⁶	Equitable Financial Life Global Funding	8/27/27	535	536
	Bank of Nova Scotia	8/3/26	1,825	2,003		Fifth Third Bancorp	5/5/27	425	462
	Barclays plc	5/7/25	1,565	1,712		Fifth Third Bank NA	3/15/26	830	939
⁷	Barclays plc, 3M USD LIBOR + 1.380%	5/16/24	1,005	1,016	⁶	Five Corners Funding Trust	11/15/23	210	233
	Berkshire Hathaway Inc.	3/15/26	715	799		Goldman Sachs Group Inc.	7/27/21	865	889
⁶	BNP Paribas SA	5/23/22	200	207		Goldman Sachs Group Inc.	1/24/22	360	380
	BNP Paribas SA	3/3/23	190	202		Goldman Sachs Group Inc.	10/31/22	1,795	1,829
⁶	BNP Paribas SA	1/10/24	1,170	1,276		Goldman Sachs Group Inc.	1/22/23	1,980	2,110
⁶	BNP Paribas SA	1/9/25	1,775	1,935		Goldman Sachs Group Inc.	9/29/25	1,205	1,316
⁶	BNP Paribas SA	11/19/25	1,335	1,422		Goldman Sachs Group Inc.	11/16/26	2,000	2,243
⁶	BNP Paribas SA	11/16/27	2,050	2,301		Goldman Sachs Group Inc.	1/26/27	740	844
⁶	BPCE SA	10/22/23	270	305		Goldman Sachs Group Inc.	6/5/28	810	933
⁶	BPCE SA	4/15/24	775	858		Goldman Sachs Group Inc.	4/23/29	3,065	3,532
⁶	BPCE SA	7/21/24	1,260	1,423		Goldman Sachs Group Inc.	5/1/29	2,630	3,108
⁶	BPCE SA	10/23/27	1,780	1,992	⁶	Goldman Sachs Group Inc.	10/1/37	835	1,265
⁶	BPCE SA	10/1/29	1,450	1,562		HSBC Bank plc	1/19/21	1,700	1,703
⁷	Canadian Imperial Bank of Commerce, 3M USD LIBOR + 0.720%	6/16/22	1,565	1,577		HSBC Holdings plc	5/25/23	1,600	1,720
	Capital One Financial Corp.	7/15/21	400	409		HSBC Holdings plc	5/24/27	805	816
	Capital One Financial Corp.	4/24/24	1,305	1,423		HSBC Holdings plc	3/13/28	890	1,010
	Capital One Financial Corp.	2/5/25	760	828		HSBC Holdings plc	6/19/29	1,675	1,981
	Charles Schwab Corp.	3/2/27	545	607		HSBC Holdings plc	8/18/31	900	924
	Chubb INA Holdings Inc.	5/15/24	555	606		HSBC Holdings plc	5/2/36	1,000	1,446
	Chubb INA Holdings Inc.	11/3/45	800	1,081		HSBC Holdings plc	1/14/42	375	564
	Citigroup Inc.	1/14/22	1,975	2,059		HSBC Holdings plc	3/14/44	440	612
	Citigroup Inc.	10/27/28	1,975	2,226	⁷	HSBC Holdings plc, 3M USD LIBOR + 1.000%	5/18/24	730	734
	Citigroup Inc.	6/15/32	2,000	2,833		HSBC USA Inc.	6/23/24	620	678
	Citigroup Inc.	1/24/39	1,025	1,220		Huntington Bancshares Inc.	3/14/21	499	501
	Comerica Bank	7/23/24	790	841		ING Groep NV	3/29/22	365	377
⁶	Credit Agricole SA	4/24/23	1,160	1,245		ING Groep NV	3/29/27	2,695	3,116
⁶	Credit Agricole SA	10/4/24	2,390	2,603		Intercontinental Exchange Inc.	9/15/40	170	174
	Credit Suisse AG	10/29/21	735	751		Intercontinental Exchange Inc.	6/15/50	465	492
	Credit Suisse AG	9/9/24	250	277		Intercontinental Exchange Inc.	9/15/60	850	887
⁶	Credit Suisse Group AG	1/9/23	550	568	⁶	JAB Holdings BV	11/23/30	290	291
⁶	Credit Suisse Group AG	6/12/24	340	367		JPMorgan Chase & Co.	5/1/23	875	934
	Credit Suisse Group AG	3/26/25	3,470	3,850		JPMorgan Chase & Co.	2/1/24	800	879
⁶	Credit Suisse Group AG	9/11/25	520	547		JPMorgan Chase & Co.	7/15/25	2,270	2,561
⁶	Credit Suisse Group AG	1/12/29	305	344		JPMorgan Chase & Co.	12/15/26	765	887
^{6,7}	Credit Suisse Group AG, 3M USD LIBOR + 1.240%	6/12/24	690	700		JPMorgan Chase & Co.	10/1/27	2,295	2,706
	Credit Suisse Group Funding Guernsey Ltd.	9/15/22	1,335	1,407		JPMorgan Chase & Co.	12/5/29	2,100	2,557
⁶	Danske Bank A/S	9/8/21	1,120	1,133		JPMorgan Chase & Co.	5/6/30	2,525	2,911
⁶	Danske Bank A/S	1/12/22	610	636		JPMorgan Chase & Co.	4/22/41	835	932
⁶	Danske Bank A/S	9/12/23	1,220	1,313		JPMorgan Chase & Co.	1/6/42	750	1,108
⁶	Danske Bank A/S	1/12/24	795	893					
⁶	Danske Bank A/S	9/11/26	855	855					
	Deutsche Bank AG	10/14/21	815	835					
⁶	DNB Boligkreditt AS	3/28/22	1,315	1,349					

Balanced Portfolio

			Face Amount (\$000)	Market Value* (\$000)				Face Amount (\$000)	Market Value* (\$000)		
	Coupon	Maturity Date				Coupon	Maturity Date				
	JPMorgan Chase & Co.	3.964%	11/15/48	6,150	7,724		PNC Financial Services Group Inc.	2.550%	1/22/30	1,625	1,776
	JPMorgan Chase & Co.	3.109%	4/22/51	845	935	6	Principal Life Global Funding II	2.500%	9/16/29	1,000	1,081
6	Liberty Mutual Group Inc.	4.250%	6/15/23	80	87	8	Prudential plc	3.125%	4/14/30	645	731
6	Liberty Mutual Group Inc.	4.569%	2/1/29	280	341		Royal Bank of Canada	0.000%	1/7/21	833	654
	Loews Corp.	2.625%	5/15/23	440	460		Royal Bank of Canada	2.750%	2/1/22	1,195	1,226
6	Macquarie Group Ltd.	4.150%	3/27/24	1,375	1,474		Santander Holdings USA Inc.	3.700%	3/28/22	915	945
	Manufacturers & Traders Trust Co.	2.900%	2/6/25	685	743		Santander Holdings USA Inc.	3.400%	1/18/23	605	634
	Marsh & McLennan Cos. Inc.	4.375%	3/15/29	675	821	6	Societe Generale SA	3.250%	1/12/22	1,015	1,043
	Marsh & McLennan Cos. Inc.	4.900%	3/15/49	305	440	6	Standard Chartered plc	2.744%	9/10/22	2,030	2,052
3,6	Massachusetts Mutual Life Insurance Co.	7.625%	11/15/23	2,000	2,258		State Street Corp. Svenska	2.653%	5/15/23	840	862
	MetLife Inc.	3.600%	4/10/24	580	639	6	Handelsbanken AB	1.875%	9/7/21	1,050	1,062
	MetLife Inc.	4.125%	8/13/42	145	184		Synchrony Bank	3.650%	5/24/21	1,290	1,302
	MetLife Inc.	4.875%	11/13/43	530	749	6	Teachers Insurance & Annuity Association of America	4.900%	9/15/44	875	1,172
6	Metropolitan Life Global Funding I	3.450%	10/9/21	810	829	6	Teachers Insurance & Annuity Association of America	4.270%	5/15/47	1,145	1,428
6	Metropolitan Life Global Funding I	2.650%	4/8/22	340	350	6	Temasek Financial I Ltd.	2.375%	1/23/23	1,130	1,177
6	Metropolitan Life Global Funding I	3.450%	12/18/26	640	730	6	Temasek Financial I Ltd.	3.625%	8/1/28	1,025	1,199
6	Metropolitan Life Global Funding I	3.000%	9/19/27	1,165	1,294	6	Temasek Financial I Ltd.	2.250%	4/6/51	1,150	1,158
	Mitsubishi UFJ Financial Group Inc.	2.623%	7/18/22	1,940	2,006	6	Temasek Financial I Ltd.	2.500%	10/6/70	670	678
	Morgan Stanley	5.750%	1/25/21	1,740	1,744	6	Toronto-Dominion Bank	2.500%	1/18/23	2,100	2,146
	Morgan Stanley	2.500%	4/21/21	1,175	1,182		Truist Bank	2.625%	1/15/22	460	470
	Morgan Stanley	2.625%	11/17/21	800	816		Truist Bank	3.300%	5/15/26	340	380
	Morgan Stanley	2.750%	5/19/22	1,710	1,766		Truist Financial Corp.	3.200%	9/3/21	665	677
	Morgan Stanley	3.700%	10/23/24	750	835		Truist Financial Corp.	2.750%	4/1/22	1,700	1,746
	Morgan Stanley	2.720%	7/22/25	1,750	1,872		Truist Financial Corp.	3.700%	6/5/25	1,385	1,560
	Morgan Stanley	3.125%	7/27/26	1,345	1,498		Truist Financial Corp.	1.950%	6/5/30	795	826
	Morgan Stanley	6.250%	8/9/26	3,000	3,817		U.S. Bancorp	3.700%	1/30/24	1,560	1,701
	Morgan Stanley	3.625%	1/20/27	1,250	1,432	6	UBS Group AG	2.650%	2/1/22	1,250	1,281
	Morgan Stanley	3.772%	1/24/29	3,910	4,517	6	UBS Group AG	3.126%	8/13/30	555	621
	Morgan Stanley	2.699%	1/22/31	1,105	1,202		Wachovia Corp.	7.500%	4/15/35	1,000	1,471
	Morgan Stanley	4.300%	1/27/45	850	1,131		Wells Fargo & Co.	3.500%	3/8/22	640	664
6	National Australia Bank Ltd.	2.332%	8/21/30	1,745	1,759		Wells Fargo & Co.	3.069%	1/24/23	195	200
6	Nationwide Building Society	3.622%	4/26/23	680	706		Wells Fargo & Co.	3.450%	2/13/23	735	778
6	Nationwide Financial Services Inc.	3.900%	11/30/49	1,430	1,587		Wells Fargo & Co.	4.480%	1/16/24	1,199	1,328
6	Nationwide Mutual Insurance Co.	4.350%	4/30/50	1,320	1,548		Wells Fargo & Co.	3.750%	1/24/24	1,560	1,700
6	NBK SPC Ltd.	2.750%	5/30/22	1,530	1,571		Wells Fargo & Co.	3.000%	2/19/25	890	965
6	New York Life Global Funding	2.900%	1/17/24	810	868		Wells Fargo & Co.	3.550%	9/29/25	860	963
6	New York Life Insurance Co.	5.875%	5/15/33	2,100	2,876		Wells Fargo & Co.	3.000%	4/22/26	1,045	1,150
6	New York Life Insurance Co.	3.750%	5/15/50	345	409		Wells Fargo & Co.	4.100%	6/3/26	340	389
6	New York Life Insurance Co.	4.450%	5/15/69	435	581		Wells Fargo & Co.	3.000%	10/23/26	170	188
6	Northwestern Mutual Life Insurance Co.	3.850%	9/30/47	656	779		Wells Fargo & Co.	3.196%	6/17/27	1,705	1,885
6	Northwestern Mutual Life Insurance Co.	3.625%	9/30/59	270	308		Wells Fargo & Co.	2.879%	10/30/30	435	472
	PNC Bank NA	3.300%	10/30/24	460	506		Wells Fargo & Co.	2.572%	2/11/31	2,235	2,358
	PNC Bank NA	2.950%	2/23/25	1,105	1,209		Wells Fargo & Co.	5.606%	1/15/44	2,276	3,213
	PNC Bank NA	4.200%	11/1/25	255	292		Wells Fargo & Co.	4.900%	11/17/45	515	685
	PNC Bank NA	3.100%	10/25/27	1,165	1,303		Wells Fargo & Co.	4.750%	12/7/46	2,070	2,708
	PNC Bank NA	3.250%	1/22/28	1,675	1,905						260,934
	PNC Financial Services Group Inc.	3.900%	4/29/24	580	641		Health Care (2.7%)				
							AbbVie Inc.	3.450%	3/15/22	450	464
							AbbVie Inc.	3.800%	3/15/25	575	641
							AbbVie Inc.	4.050%	11/21/39	590	705
							AbbVie Inc.	4.850%	6/15/44	450	584
							AbbVie Inc.	4.450%	5/14/46	1,010	1,282
							Advocate Health & Hospitals Corp.	2.211%	6/15/30	360	372
							Advocate Health & Hospitals Corp.	3.008%	6/15/50	540	582

Balanced Portfolio

		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)	
	Aetna Inc.	2.800%	6/15/23	680	716		GlaxoSmithKline Capital Inc.	5.375%	4/15/34	2,000	2,860
6	Alcon Finance Corp.	2.750%	9/23/26	200	218		Kaiser Foundation Hospitals	3.150%	5/1/27	380	428
6	Alcon Finance Corp.	2.600%	5/27/30	200	213		Kaiser Foundation Hospitals	4.875%	4/1/42	365	499
6	Alcon Finance Corp.	3.800%	9/23/49	800	938		Medtronic Inc.	3.500%	3/15/25	396	444
	Amgen Inc.	2.300%	2/25/31	1,575	1,672		Memorial Sloan-Kettering Cancer Center	2.955%	1/1/50	590	625
	Amgen Inc.	3.150%	2/21/40	1,075	1,170		Memorial Sloan-Kettering Cancer Center	4.125%	7/1/52	310	402
	Amgen Inc.	5.150%	11/15/41	311	427		Memorial Sloan-Kettering Cancer Center	4.200%	7/1/55	280	372
6	Amgen Inc.	2.770%	9/1/53	430	434		Merck & Co. Inc.	2.750%	2/10/25	1,210	1,314
	Anthem Inc.	3.300%	1/15/23	1,100	1,165		Merck & Co. Inc.	3.400%	3/7/29	1,470	1,709
	Anthem Inc.	3.650%	12/1/27	750	864		Merck & Co. Inc.	4.150%	5/18/43	760	992
	Anthem Inc.	4.101%	3/1/28	1,140	1,348		Merck & Co. Inc.	4.000%	3/7/49	1,915	2,525
	Anthem Inc.	4.650%	8/15/44	92	121		Mercy Health	4.302%	7/1/28	570	657
	Ascension Health	2.532%	11/15/29	1,405	1,531		Novartis Capital Corp.	3.400%	5/6/24	415	455
3	Ascension Health	4.847%	11/15/53	50	74		Novartis Capital Corp.	4.400%	5/6/44	640	880
	AstraZeneca plc	4.000%	1/17/29	2,345	2,793		Partners Healthcare System Inc.	3.192%	7/1/49	935	1,026
6	AstraZeneca plc	6.450%	9/15/37	615	942		Partners Healthcare System Inc.	3.342%	7/1/60	955	1,087
6	Bayer US Finance II LLC	4.250%	12/15/25	1,100	1,257		Pfizer Inc.	3.000%	12/15/26	725	817
6	Bayer US Finance LLC	3.000%	10/8/21	1,980	2,018		Pfizer Inc.	3.450%	3/15/29	2,165	2,524
6	Bayer US Finance LLC	3.375%	10/8/24	815	888		Pfizer Inc.	4.100%	9/15/38	1,505	1,917
3	Bon Secours Mercy Health Inc.	3.464%	6/1/30	590	667		Pfizer Inc.	2.550%	5/28/40	275	292
	Bon Secours Mercy Health Inc.	2.095%	6/1/31	330	338		Pfizer Inc.	2.700%	5/28/50	305	326
	Boston Scientific Corp.	4.000%	3/1/29	195	229		Providence St. Joseph Health Obligated Group	2.746%	10/1/26	390	424
	Bristol-Myers Squibb Co.	2.750%	2/15/23	138	145		Providence St. Joseph Health Obligated Group	2.532%	10/1/29	985	1,056
	Bristol-Myers Squibb Co.	3.250%	2/20/23	239	253		Providence St. Joseph Health Obligated Group	3.930%	10/1/48	325	389
	Bristol-Myers Squibb Co.	4.000%	8/15/23	45	49		Roche Holdings Inc.	2.375%	1/28/27	1,650	1,791
	Bristol-Myers Squibb Co.	3.400%	7/26/29	885	1,021		Royalty Pharma plc	3.300%	9/2/40	425	446
	Bristol-Myers Squibb Co.	4.125%	6/15/39	505	639	3	Royalty Pharma plc	3.550%	9/2/50	1,405	1,495
	Bristol-Myers Squibb Co.	4.550%	2/20/48	217	299		Rush Obligated Group	3.922%	11/15/29	330	391
	Bristol-Myers Squibb Co.	4.250%	10/26/49	1,473	1,973	6	SSM Health Care Corp.	3.823%	6/1/27	940	1,063
	Children's Hospital Corp.	2.585%	2/1/50	160	160	6	Sutter Health	2.294%	8/15/30	560	583
	Cigna Corp.	3.250%	4/15/25	880	963	6	Toledo Hospital	5.750%	11/15/38	560	667
	Cigna Corp.	4.375%	10/15/28	515	620		UnitedHealth Group Inc.	2.875%	3/15/22	27	28
	CommonSpirit Health	2.950%	11/1/22	535	560		UnitedHealth Group Inc.	2.875%	3/15/23	1,175	1,241
	CommonSpirit Health	4.200%	8/1/23	535	578		UnitedHealth Group Inc.	3.100%	3/15/26	430	482
	CommonSpirit Health	2.760%	10/1/24	860	924	9	UnitedHealth Group Inc.	3.850%	6/15/28	1,190	1,411
	CommonSpirit Health	3.347%	10/1/29	1,245	1,368		UnitedHealth Group Inc.	2.000%	5/15/30	275	291
	CommonSpirit Health	2.782%	10/1/30	465	492		UnitedHealth Group Inc.	4.625%	7/15/35	240	323
3	CommonSpirit Health	4.350%	11/1/42	536	625		UnitedHealth Group Inc.	2.750%	5/15/40	310	334
	CommonSpirit Health	4.187%	10/1/49	1,275	1,480		UnitedHealth Group Inc.	4.250%	3/15/43	1,600	2,100
	Cottage Health Obligated Group	3.304%	11/1/49	470	524		UnitedHealth Group Inc.	4.750%	7/15/45	592	830
	CVS Health Corp.	2.750%	12/1/22	965	1,002		UnitedHealth Group Inc.	4.200%	1/15/47	215	283
	CVS Health Corp.	4.300%	3/25/28	110	131		UnitedHealth Group Inc.	4.250%	6/15/48	880	1,173
	CVS Health Corp.	4.875%	7/20/35	315	409						
	CVS Health Corp.	4.125%	4/1/40	430	511						
	CVS Health Corp.	5.125%	7/20/45	855	1,146						
	Dignity Health	3.812%	11/1/24	560	609						
	Eli Lilly and Co.	4.150%	3/15/59	80	109						
6	EMD Finance LLC	2.950%	3/19/22	605	620						
	Gilead Sciences Inc.	3.700%	4/1/24	1,010	1,103						
	Gilead Sciences Inc.	3.500%	2/1/25	560	619						
	Gilead Sciences Inc.	4.500%	2/1/45	940	1,196						
	Gilead Sciences Inc.	4.750%	3/1/46	600	795						
	Gilead Sciences Inc.	2.800%	10/1/50	1,235	1,229						
	GlaxoSmithKline Capital Inc.	2.800%	3/18/23	385	406						

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)	
UnitedHealth Group Inc.	4.450%	12/15/48	140	193	6	Penske Truck Leasing Co. LP / PTL Finance Corp.	2.700%	11/1/24	385	411
UnitedHealth Group Inc.	3.700%	8/15/49	675	841	6	Penske Truck Leasing Co. LP / PTL Finance Corp.	3.950%	3/10/25	1,435	1,606
UnitedHealth Group Inc.	2.900%	5/15/50	1,253	1,377	6	Penske Truck Leasing Co. LP / PTL Finance Corp.	4.450%	1/29/26	925	1,070
UnitedHealth Group Inc.	3.875%	8/15/59	115	148		Raytheon Technologies Corp.	4.125%	11/16/28	1,125	1,338
6 Viatris Inc.	3.850%	6/22/40	530	596		Raytheon Technologies Corp.	6.050%	6/1/36	675	978
6 Viatris Inc.	4.000%	6/22/50	710	812		Raytheon Technologies Corp.	4.450%	11/16/38	275	346
				90,130		Raytheon Technologies Corp.	4.500%	6/1/42	407	532
Industrials (1.0%)					6	Siemens Financieringsmaatschappij NV	2.900%	5/27/22	1,050	1,087
6 BAE Systems Holdings Inc.	3.850%	12/15/25	1,085	1,226	6	Siemens Financieringsmaatschappij NV	3.125%	3/16/24	1,680	1,813
6 BAE Systems plc	3.400%	4/15/30	215	243	6	Siemens Financieringsmaatschappij NV	4.400%	5/27/45	800	1,073
Boeing Co.	2.700%	2/1/27	495	515	3	Southwest Airlines Co. Series 2007-1 Pass Through Trust	6.150%	2/1/24	157	161
Burlington Northern Santa Fe LLC	3.000%	3/15/23	565	593		Stanley Black & Decker Inc.	4.850%	11/15/48	685	954
Burlington Northern Santa Fe LLC	3.850%	9/1/23	1,630	1,766		Union Pacific Corp.	3.700%	3/1/29	505	586
Burlington Northern Santa Fe LLC	4.550%	9/1/44	250	337		Union Pacific Corp.	3.250%	2/5/50	200	226
Burlington Northern Santa Fe LLC	4.150%	4/1/45	415	542		Union Pacific Corp.	3.799%	10/1/51	666	811
Burlington Northern Santa Fe LLC	4.050%	6/15/48	60	79		Union Pacific Corp.	3.839%	3/20/60	285	351
Burlington Northern Santa Fe LLC	3.050%	2/15/51	405	460	6	Union Pacific Corp.	2.973%	9/16/62	625	652
Canadian National Railway Co.	2.450%	5/1/50	205	212	3	Union Pacific Corp.	3.750%	2/5/70	335	406
Carrier Global Corp.	2.722%	2/15/30	448	478		United Airlines Class B Series 2018-1 Pass Through Trust	4.600%	9/1/27	177	172
Caterpillar Inc.	3.900%	5/27/21	590	599						34,057
Caterpillar Inc.	2.600%	6/26/22	705	725	Materials (0.0%)					
Caterpillar Inc.	3.400%	5/15/24	810	884		International Paper Co.	4.350%	8/15/48	1,255	1,641
3 Continental Airlines Class A Series 2007-1 Pass Through Trust	5.983%	10/19/23	488	489	Real Estate (0.4%)					
CSX Corp.	4.300%	3/1/48	445	573		American Tower Corp.	5.000%	2/15/24	80	90
CSX Corp.	3.350%	9/15/49	235	267		American Tower Corp.	4.400%	2/15/26	450	520
3 Federal Express Corp. 1998 Pass Through Trust	6.720%	7/15/23	216	220		American Tower Corp.	3.800%	8/15/29	981	1,137
FedEx Corp.	2.700%	4/15/23	255	267		Boston Properties LP	3.125%	9/1/23	355	376
FedEx Corp.	4.100%	2/1/45	130	154		Boston Properties LP	3.800%	2/1/24	45	49
FedEx Corp.	4.550%	4/1/46	178	225		Crown Castle International Corp.	3.650%	9/1/27	285	321
FedEx Corp.	4.050%	2/15/48	48	57		Crown Castle International Corp.	3.800%	2/15/28	235	269
Illinois Tool Works Inc.	3.500%	3/1/24	1,295	1,406		Equinix Inc.	3.000%	7/15/50	1,020	1,034
John Deere Capital Corp.	3.450%	3/13/25	1,200	1,344		Healthpeak Properties Inc.	3.000%	1/15/30	930	1,019
Kansas City Southern	4.950%	8/15/45	480	613		Realty Income Corp.	3.250%	1/15/31	380	431
Lockheed Martin Corp.	2.900%	3/1/25	610	664	6	SBA Tower Trust	3.168%	4/9/47	1,330	1,342
Lockheed Martin Corp.	1.850%	6/15/30	60	63	6	SBA Tower Trust	3.448%	3/15/48	705	743
Lockheed Martin Corp.	4.500%	5/15/36	211	277	6	SBA Tower Trust	2.836%	1/15/50	725	769
Lockheed Martin Corp.	4.700%	5/15/46	376	529	6	SBA Tower Trust	1.884%	7/15/50	265	271
Lockheed Martin Corp.	2.800%	6/15/50	265	286	6	Scentre Group Trust 1 / Scentre Group Trust 2	4.375%	5/28/30	695	809
Lockheed Martin Corp.	4.090%	9/15/52	144	190		Simon Property Group LP	3.750%	2/1/24	90	97
Otis Worldwide Corp.	2.565%	2/15/30	225	241		Simon Property Group LP	3.375%	10/1/24	275	299
Otis Worldwide Corp.	3.112%	2/15/40	510	556						
Otis Worldwide Corp.	3.362%	2/15/50	890	1,018						
Parker-Hannifin Corp.	3.250%	6/14/29	270	305						
Parker-Hannifin Corp.	4.450%	11/21/44	450	575						
6 Penske Truck Leasing Co. LP / PTL Finance Corp.	3.450%	7/1/24	465	506						

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		
Simon Property Group LP	2.450%	9/13/29	1,160	1,217	6	Oracle Corp.	3.850%	4/1/60	540	658	
VEREIT Operating Partnership LP	3.400%	1/15/28	210	232	6	QUALCOMM Inc.	1.300%	5/20/28	744	748	
VEREIT Operating Partnership LP	2.200%	6/15/28	735	752		QUALCOMM Inc.	2.150%	5/20/30	1,075	1,136	
VEREIT Operating Partnership LP	2.850%	12/15/32	405	423		QUALCOMM Inc.	1.650%	5/20/32	1,112	1,110	
						QUALCOMM Inc.	3.250%	5/20/50	385	446	
				12,200						65,738	
Technology (2.0%)					Utilities (3.2%)						
Apple Inc.	3.000%	2/9/24	620	667	AEP Texas Inc.	4.150%	5/1/49	145	180		
Apple Inc.	3.450%	5/6/24	1,000	1,101	AEP Texas Inc.	3.450%	1/15/50	380	430		
Apple Inc.	2.850%	5/11/24	1,225	1,321	Alabama Power Co.	5.200%	6/1/41	120	163		
Apple Inc.	2.750%	1/13/25	590	639	Alabama Power Co.	4.100%	1/15/42	215	258		
Apple Inc.	3.250%	2/23/26	1,020	1,145	Alabama Power Co.	3.750%	3/1/45	630	757		
Apple Inc.	2.450%	8/4/26	1,170	1,275	Alabama Power Co.	4.300%	7/15/48	775	1,029		
Apple Inc.	3.350%	2/9/27	1,545	1,758	Ameren Illinois Co.	3.800%	5/15/28	590	687		
Apple Inc.	3.200%	5/11/27	1,065	1,205	Ameren Illinois Co.	6.125%	12/15/28	1,000	1,267		
Apple Inc.	2.900%	9/12/27	2,250	2,517	Ameren Illinois Co.	3.700%	12/1/47	140	171		
Apple Inc.	3.850%	5/4/43	430	546	American Water Capital Corp.	2.950%	9/1/27	540	595		
Apple Inc.	4.450%	5/6/44	120	164	American Water Capital Corp.	3.750%	9/1/47	45	55		
Apple Inc.	3.850%	8/4/46	985	1,267	American Water Capital Corp.	4.200%	9/1/48	845	1,102		
Apple Inc.	2.650%	5/11/50	640	677	American Water Capital Corp.	4.150%	6/1/49	25	33		
Apple Inc.	2.550%	8/20/60	1,425	1,459	American Water Capital Corp.	3.450%	5/1/50	95	113		
Broadcom Corp. / Broadcom Cayman Finance Ltd.	3.875%	1/15/27	305	343	Arizona Public Service Co.	3.350%	5/15/50	410	480		
Broadcom Inc.	4.250%	4/15/26	170	193	Baltimore Gas and Electric Co.	2.900%	6/15/50	238	256		
Broadcom Inc.	4.110%	9/15/28	1,452	1,653	Berkshire Hathaway Energy Co.	6.125%	4/1/36	1,135	1,672		
Broadcom Inc.	4.150%	11/15/30	130	150	Berkshire Hathaway Energy Co.	5.950%	5/15/37	25	36		
Cisco Systems Inc.	2.500%	9/20/26	431	472	Berkshire Hathaway Energy Co.	5.150%	11/15/43	1,490	2,043		
Global Payments Inc.	2.900%	5/15/30	535	580	6	Berkshire Hathaway Energy Co.	4.250%	10/15/50	115	147	
Intel Corp.	2.875%	5/11/24	800	861	6	Boston Gas Co.	3.150%	8/1/27	140	153	
Intel Corp.	4.100%	5/19/46	1,360	1,733	6	Brooklyn Union Gas Co.	3.407%	3/10/26	95	106	
International Business Machines Corp.	3.375%	8/1/23	1,750	1,888	6	Brooklyn Union Gas Co.	4.273%	3/15/48	1,720	2,177	
International Business Machines Corp.	3.000%	5/15/24	2,500	2,702		CenterPoint Energy Houston Electric LLC	4.250%	2/1/49	195	259	
International Business Machines Corp.	3.300%	5/15/26	4,500	5,078		CenterPoint Energy Resources Corp.	4.000%	4/1/28	1,369	1,598	
International Business Machines Corp.	3.500%	5/15/29	2,975	3,441		Cleco Corporate Holdings LLC	3.743%	5/1/26	1,850	2,033	
International Business Machines Corp.	5.875%	11/29/32	1,010	1,449		Cleco Corporate Holdings LLC	3.375%	9/15/29	405	408	
International Business Machines Corp.	2.850%	5/15/40	490	522		Commonwealth Edison Co.	2.950%	8/15/27	645	715	
International Business Machines Corp.	2.950%	5/15/50	195	208		Commonwealth Edison Co.	4.350%	11/15/45	375	487	
Microsoft Corp.	2.875%	2/6/24	975	1,047		Commonwealth Edison Co.	3.650%	6/15/46	175	207	
Microsoft Corp.	2.700%	2/12/25	760	824		Commonwealth Edison Co.	4.000%	3/1/48	480	604	
Microsoft Corp.	3.125%	11/3/25	435	486		Consolidated Edison Co. of New York Inc.	4.500%	12/1/45	980	1,264	
Microsoft Corp.	2.400%	8/8/26	1,890	2,058		Consolidated Edison Co. of New York Inc.	3.850%	6/15/46	76	88	
Microsoft Corp.	3.500%	2/12/35	605	742		Consolidated Edison Co. of New York Inc.	3.950%	4/1/50	50	61	
Microsoft Corp.	3.450%	8/8/36	1,725	2,124							
Microsoft Corp.	4.100%	2/6/37	769	1,002							
Microsoft Corp.	3.700%	8/8/46	1,615	2,037							
Microsoft Corp.	2.525%	6/1/50	3,336	3,505							
Oracle Corp.	2.800%	7/8/21	375	380							
Oracle Corp.	2.500%	5/15/22	1,210	1,243							
Oracle Corp.	2.950%	11/15/24	2,190	2,376							
Oracle Corp.	2.950%	5/15/25	355	388							
Oracle Corp.	3.250%	11/15/27	3,065	3,493							
Oracle Corp.	4.000%	11/15/47	895	1,099							
Oracle Corp.	3.600%	4/1/50	1,565	1,822							

Balanced Portfolio

			Face Amount (\$000)	Market Value* (\$000)				Face Amount (\$000)	Market Value* (\$000)		
	Coupon	Maturity Date				Coupon	Maturity Date				
6	Consolidated Edison Co. of New York Inc.	4.500%	5/15/58	630	827		Fortis Inc.	3.055%	10/4/26	1,195	1,313
	Delmarva Power & Light Co.	3.500%	11/15/23	305	330		Georgia Power Co.	5.400%	6/1/40	205	272
	Dominion Energy Inc.	2.715%	8/15/21	450	455		Georgia Power Co.	4.750%	9/1/40	988	1,287
	Dominion Energy Inc.	2.450%	1/15/23	3,240	3,369		Georgia Power Co.	4.300%	3/15/42	1,076	1,366
	Dominion Energy Inc.	5.250%	8/1/33	1,000	1,308	6	Georgia Power Co.	3.700%	1/30/50	170	206
	Dominion Energy Inc.	4.600%	3/15/49	760	1,012		Indiana Michigan Power Co.	4.250%	8/15/48	415	525
	Dominion Energy South Carolina Inc.	6.625%	2/1/32	138	199	6	Infraestructura Energetica Nova SAB de CV	4.875%	1/14/48	455	507
	Dominion Energy South Carolina Inc.	5.300%	5/15/33	44	59	6	KeySpan Gas East Corp.	2.742%	8/15/26	670	736
	Dominion Energy South Carolina Inc.	5.450%	2/1/41	95	136	6	Massachusetts Electric Co.	5.900%	11/15/39	585	866
	Dominion Energy South Carolina Inc.	4.600%	6/15/43	202	271	6	Metropolitan Edison Co.	4.300%	1/15/29	249	282
DTE Energy Co.	3.800%	3/15/27	250	287		MidAmerican Energy Co.	4.400%	10/15/44	15	19	
Duke Energy Carolinas LLC	6.100%	6/1/37	391	574		MidAmerican Energy Co.	4.250%	5/1/46	45	58	
Duke Energy Carolinas LLC	3.700%	12/1/47	470	567		MidAmerican Energy Co.	4.250%	7/15/49	315	422	
Duke Energy Corp.	2.650%	9/1/26	315	342		MidAmerican Energy Co.	3.150%	4/15/50	1,390	1,594	
Duke Energy Corp.	3.400%	6/15/29	350	396	6	Mid-Atlantic Interstate Transmission LLC	4.100%	5/15/28	195	218	
Duke Energy Corp.	4.800%	12/15/45	1,200	1,581	6	Monongahela Power Co.	5.400%	12/15/43	135	183	
Duke Energy Corp.	3.750%	9/1/46	265	308		National Rural Utilities Cooperative Finance Corp.	2.950%	2/7/24	415	444	
Duke Energy Florida LLC	6.350%	9/15/37	200	304		National Rural Utilities Cooperative Finance Corp.	2.850%	1/27/25	1,040	1,130	
Duke Energy Progress LLC	6.300%	4/1/38	365	558		Nevada Power Co.	3.125%	8/1/50	380	421	
Duke Energy Progress LLC	4.100%	3/15/43	118	147		NextEra Energy Capital Holdings Inc.	2.403%	9/1/21	1,295	1,313	
Duke Energy Progress LLC	4.200%	8/15/45	2,045	2,581		NextEra Energy Capital Holdings Inc.	3.250%	4/1/26	260	291	
6	East Ohio Gas Co.	2.000%	6/15/30	325	337		NextEra Energy Capital Holdings Inc.	3.550%	5/1/27	880	1,000
6	East Ohio Gas Co.	3.000%	6/15/50	475	513		NextEra Energy Capital Holdings Inc.	3.500%	4/1/29	390	445
	Eastern Energy Gas Holdings LLC	3.550%	11/1/23	470	506		NextEra Energy Capital Holdings Inc.	2.750%	11/1/29	590	638
	Eastern Energy Gas Holdings LLC	3.000%	11/15/29	585	641		NextEra Energy Capital Holdings Inc.	2.250%	6/1/30	1,185	1,242
	Eastern Energy Gas Holdings LLC	4.800%	11/1/43	125	160	6	Niagara Mohawk Power Corp.	4.278%	12/15/28	1,000	1,196
	Eastern Energy Gas Holdings LLC	4.600%	12/15/44	1,603	2,024	6	Niagara Mohawk Power Corp.	3.025%	6/27/50	540	573
6	Electricite de France SA	4.875%	9/21/38	2,200	2,748		NiSource Inc.	5.250%	2/15/43	390	532
6	Electricite de France SA	4.875%	1/22/44	50	62		NiSource Inc.	4.800%	2/15/44	270	352
6	Electricite de France SA	4.950%	10/13/45	400	516		Northern States Power Co.	6.250%	6/1/36	2,000	2,997
	Emera U.S. Finance LP	3.550%	6/15/26	965	1,080	3,6	Oglethorpe Power Corp.	6.191%	1/1/31	1,065	1,320
	Entergy Louisiana LLC	3.120%	9/1/27	410	456		Oglethorpe Power Corp.	5.950%	11/1/39	170	225
	Evergy Inc.	2.450%	9/15/24	425	451		Oglethorpe Power Corp.	4.550%	6/1/44	50	56
	Evergy Kansas Central Inc.	3.250%	9/1/49	630	713		Oglethorpe Power Corp.	4.250%	4/1/46	537	562
	Evergy Metro Inc.	2.250%	6/1/30	205	217		Oglethorpe Power Corp.	5.050%	10/1/48	80	102
	Evergy Metro Inc.	4.200%	3/15/48	137	176						
	Eversource Energy	2.900%	10/1/24	690	744						
	Eversource Energy	3.150%	1/15/25	110	120						
	Eversource Energy	3.300%	1/15/28	400	446						
	Florida Power & Light Co.	5.650%	2/1/35	1,000	1,410						
	Florida Power & Light Co.	4.950%	6/1/35	1,000	1,379						
	Florida Power & Light Co.	5.950%	2/1/38	785	1,174						
	Florida Power & Light Co.	5.690%	3/1/40	675	1,000						
	Florida Power & Light Co.	3.700%	12/1/47	480	599						

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
⁶ Oglethorpe Power Corp.	3.750%	8/1/50	250	269
Oglethorpe Power Corp.	5.250%	9/1/50	630	779
Oncor Electric Delivery Co. LLC	4.550%	12/1/41	75	100
PacifiCorp	6.250%	10/15/37	2,000	2,973
PacifiCorp	4.125%	1/15/49	26	33
PacifiCorp	4.150%	2/15/50	345	447
PacifiCorp	3.300%	3/15/51	169	195
Potomac Electric Power Co.	3.050%	4/1/22	460	475
Potomac Electric Power Co.	6.500%	11/15/37	750	1,136
San Diego Gas & Electric Co.	6.000%	6/1/26	600	745
San Diego Gas & Electric Co.	3.750%	6/1/47	160	187
San Diego Gas & Electric Co.	4.150%	5/15/48	545	679
Sempra Energy	2.875%	10/1/22	750	776
Sempra Energy	3.250%	6/15/27	1,095	1,223
Sempra Energy	6.000%	10/15/39	600	859
Sierra Pacific Power Co.	3.375%	8/15/23	850	908
Sierra Pacific Power Co.	2.600%	5/1/26	221	240
Southern California Edison Co.	2.400%	2/1/22	170	173
Southern California Edison Co.	3.700%	8/1/25	90	101
Southern California Edison Co.	6.000%	1/15/34	1,000	1,385
Southern California Edison Co.	5.550%	1/15/37	2,250	2,881
Southern California Edison Co.	6.050%	3/15/39	55	75
Southern California Edison Co.	4.000%	4/1/47	195	229
Southern California Edison Co.	4.125%	3/1/48	645	770
Southern California Edison Co.	3.650%	2/1/50	155	175
Southern California Gas Co.	2.600%	6/15/26	820	891
Southern Co.	2.950%	7/1/23	1,280	1,355
Southern Co.	4.400%	7/1/46	755	944
Southwest Gas Corp.	2.200%	6/15/30	230	242
Southwestern Electric Power Co.	6.200%	3/15/40	400	583
Southwestern Public Service Co.	3.700%	8/15/47	102	121
⁶ State Grid Overseas Investment 2016 Ltd	2.750%	5/4/22	1,550	1,587
⁶ State Grid Overseas Investment 2016 Ltd	3.500%	5/4/27	775	858
Union Electric Co.	4.000%	4/1/48	423	531
Virginia Electric and Power Co.	2.750%	3/15/23	690	721
Virginia Electric and Power Co.	3.500%	3/15/27	435	491
Wisconsin Electric Power Co.	5.700%	12/1/36	690	972
			108,950	
Total Corporate Bonds (Cost \$664,164)				756,996

Sovereign Bonds (0.6%)

⁶ Government of Bermuda	2.375%	8/20/30	200	210
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	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
⁶ Government of Bermuda	3.375%	8/20/50	200	216
International Bank for Reconstruction & Development	4.750%	2/15/35	2,000	2,853
¹⁰ Japan Treasury Discount Bill	0.000%	1/18/21	500,000	4,842
¹⁰ Japan Treasury Discount Bill	0.000%	1/25/21	100,000	968
¹⁰ Japan Treasury Discount Bill	0.000%	2/1/21	400,000	3,874
¹⁰ Japan Treasury Discount Bill	0.000%	2/8/21	55,000	533
⁶ Kingdom of Saudi Arabia	2.875%	3/4/23	930	973
Republic of Colombia	4.000%	2/26/24	970	1,049
⁶ State of Qatar	2.375%	6/2/21	1,590	1,602
⁶ State of Qatar	3.875%	4/23/23	1,985	2,132
⁶ State of Qatar	4.400%	4/16/50	430	560

Total Sovereign Bonds (Cost \$18,500) 19,812

Taxable Municipal Bonds (1.8%)

Atlanta Downtown Development Authority Lease (Abatement) Revenue (Atlanta Federal Center Project)	6.875%	2/1/21	65	65
Atlanta GA Water & Wastewater Water Revenue	2.257%	11/1/35	235	247
Bay Area Toll Authority Highway Revenue	2.574%	4/1/31	450	485
Bay Area Toll Authority Highway Revenue	6.263%	4/1/49	60	103
Bay Area Toll Authority Highway Revenue	7.043%	4/1/50	905	1,657
Broward FL Airport System Port, Airport & Marina Revenue	3.477%	10/1/43	300	313
California GO	7.500%	4/1/34	155	258
California GO	7.350%	11/1/39	1,550	2,575
Chicago O'Hare International Airport Port, Airport & Marina Revenue	6.395%	1/1/40	155	234
Chicago Transit Authority Sales & Transfer Tax Receipts Sales Tax Revenue	6.899%	12/1/40	1,780	2,574
Chicago Transit Authority Sales & Transfer Tax Receipts Sales Tax Revenue	6.899%	12/1/40	825	1,193
Chicago Transit Authority Sales Tax Receipts Fund Sales Tax Revenue	6.200%	12/1/40	550	766
Commonwealth of Massachusetts GO	2.514%	7/1/41	270	283
Dallas-Fort Worth International Airport Port, Airport & Marina Revenue	3.089%	11/1/40	220	231

Balanced Portfolio

			Face Amount (\$000)	Market Value* (\$000)				Face Amount (\$000)	Market Value* (\$000)	
	Coupon	Maturity Date				Coupon	Maturity Date			
9	Foothill-Eastern Transportation Corridor Agency Highway Revenue	4.094%	1/15/49	155	166	Metropolitan Transportation Authority Transit Revenue	6.814%	11/15/40	885	1,182
	Foothill-Eastern Transportation Corridor Agency Highway Revenue	3.924%	1/15/53	1,170	1,249	Metropolitan Transportation Authority Transit Revenue	5.175%	11/15/49	910	1,066
	Georgia Municipal Electric Authority Electric Power & Light Revenue	6.637%	4/1/57	1,958	2,978	Metropolitan Water Reclamation District of Greater Chicago GO	5.720%	12/1/38	215	308
	Georgia Municipal Electric Authority Electric Power & Light Revenue	6.655%	4/1/57	306	473	Michigan Finance Authority Health, Hospital, Nursing Home Revenue	3.084%	12/1/34	295	326
	Grand Parkway Transportation Corp. Highway Revenue	5.184%	10/1/42	1,015	1,404	New Jersey Turnpike Authority Highway Revenue	7.414%	1/1/40	410	688
	Grand Parkway Transportation Corp. Texas System Highway Revenue	3.236%	10/1/52	930	973	New Jersey Turnpike Authority Highway Revenue	7.102%	1/1/41	255	416
	Great Lakes Water Authority Sewage Disposal System Sewer Revenue	3.056%	7/1/39	250	267	New York State Dormitory Authority Income Tax Revenue	3.110%	2/15/39	640	697
	Houston TX GO	6.290%	3/1/32	390	495	New York State Dormitory Authority Income Tax Revenue	3.190%	2/15/43	355	387
	Illinois GO	5.100%	6/1/33	810	872	New York State Thruway Authority Highway Revenue	2.900%	1/1/35	490	531
9	Illinois State Toll Highway Authority Highway Revenue	6.184%	1/1/34	750	1,084	New York State Thruway Authority Highway Revenue	3.500%	1/1/42	275	287
	JobsOhio Beverage System Miscellaneous Revenue	2.833%	1/1/38	160	173	New York State Urban Development Corp. Income Tax Revenue	2.100%	3/15/22	1,560	1,577
	Kansas Development Finance Authority Lease (Appropriation) Revenue	5.501%	5/1/34	2,000	2,612	North Texas Tollway Authority Highway Revenue	6.718%	1/1/49	1,140	1,977
	Maryland State Transportation Authority Transit Revenue	5.888%	7/1/43	545	801	Oregon Department of Transportation Fuel Sales Tax Revenue	5.834%	11/15/34	655	950
	Massachusetts School Building Authority Sales Tax Revenue	1.753%	8/15/30	1,280	1,297	Oregon School Boards Association GO	5.528%	6/30/28	2,000	2,417
	Massachusetts School Building Authority Sales Tax Revenue	5.715%	8/15/39	1,000	1,450	Oregon State University College & University Revenue	3.424%	3/1/60	1,000	1,036
	Massachusetts School Building Authority Sales Tax Revenue	3.395%	10/15/40	500	538	Pennsylvania State University College & University Revenue	2.790%	9/1/43	660	691
	Massachusetts School Building Authority Sales Tax Revenue	2.950%	5/15/43	650	675	Pennsylvania State University College & University Revenue	2.840%	9/1/50	215	222
	Metropolitan Transportation Authority Fuel Sales Tax Revenue	6.089%	11/15/40	445	618	12 Philadelphia Authority for Industrial Development Miscellaneous Revenue	6.550%	10/15/28	1,945	2,505
	Metropolitan Transportation Authority Miscellaneous Taxes Revenue	7.336%	11/15/39	325	520	Port Authority of New York & New Jersey Port, Airport & Marina Revenue	1.086%	7/1/23	605	614
	Metropolitan Transportation Authority Transit Revenue	6.200%	11/15/26	60	68	Port Authority of New York & New Jersey Port, Airport & Marina Revenue	5.859%	12/1/24	65	77

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
Port Authority of New York & New Jersey Port, Airport & Marina Revenue	6.040%	12/1/29	265	353
Port Authority of New York & New Jersey Port, Airport & Marina Revenue	4.458%	10/1/62	1,175	1,563
Port Authority of New York & New Jersey Port, Airport & Marina Revenue	4.810%	10/15/65	640	887
Riverside CA General Fund Revenue	3.857%	6/1/45	260	279
Riverside County CA Appropriations Revenue	3.818%	2/15/38	290	320
Rutgers State University of New Jersey College & University Revenue	3.270%	5/1/43	350	375
Sales Tax Securitization Corp. Sales Tax Revenue	4.787%	1/1/48	965	1,207
San Antonio TX Electric & Gas Systems Electric Power & Light Revenue	2.905%	2/1/48	255	269
State Board of Administration Finance Corp. Miscellaneous Revenue	1.705%	7/1/27	1,035	1,074
Texas Transportation Commission GO	2.562%	4/1/42	235	239
Texas Transportation Commission State Highway Fund Miscellaneous Revenue	4.000%	10/1/33	515	651
University of California College & University Revenue	1.316%	5/15/27	385	391
University of California College & University Revenue	1.614%	5/15/30	645	652
University of California College & University Revenue	4.601%	5/15/31	590	719
University of California College & University Revenue	4.765%	5/15/44	145	160
University of California College & University Revenue	3.931%	5/15/45	570	677
University of California Regents Medical Center Pooled Health, Hospital, Nursing Home Revenue	6.548%	5/15/48	90	146
University of California Regents Medical Center Pooled Health, Hospital, Nursing Home Revenue	6.583%	5/15/49	700	1,133
University of California Regents Medical Center Pooled Health, Hospital, Nursing Home Revenue	3.006%	5/15/50	450	478

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
University of California Regents Medical Center Pooled Health, Hospital, Nursing Home Revenue	3.256%	5/15/60	880	990
University of Michigan College & University Revenue	2.437%	4/1/40	380	397
University of Michigan College & University Revenue	2.562%	4/1/50	300	319
University of Virginia College & University Revenue	2.256%	9/1/50	525	520
Utility Debt Securitization Authority Electric Power & Light Revenue	3.435%	12/15/25	210	220
Total Taxable Municipal Bonds (Cost \$52,125)				61,670

Shares				
Temporary Cash Investments (3.4%)				

Money Market Fund (0.3%)				
^{13,14} Vanguard Market Liquidity Fund	0.111%		87,141	8,714

		Maturity Date	Face Amount (\$000)	
U.S. Government and Agency Obligations (0.0%)				
U.S. Treasury Bill	0.115%	4/15/21	1,900	1,899

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
Repurchase Agreement (3.1%)				
RBS Securities Inc. (Dated 12/31/ 20, Repurchase Value \$104,901,000, collateralized by U.S. Treasury Note/Bond, 1.250%–8.000%, 11/15/21–11/15/50, with a value of \$106,998,000)	0.050%	1/4/21	104,900	104,900
Total Temporary Cash Investments (Cost \$115,513)				115,513
Total Investments (100.3%) (Cost \$2,603,336)				3,357,003
Other Assets and Liabilities—Net (-0.3%)				(10,699)
Net Assets (100%)				3,346,304

Cost is in \$000.

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

1 Includes partial security positions on loan to broker-dealers. The total value of securities on loan is \$8,472,000.

2 Securities with a value of \$68,000 have been segregated as initial margin for open futures contracts.

3 The average or expected maturity is shorter than the final maturity shown because of the possibility of interim principal payments and prepayments or the possibility of the issue being called.

4 The issuer was placed under federal conservatorship in September 2008; since that time, its daily operations have been managed by the Federal Housing Finance Agency and it receives capital from the U.S. Treasury, as needed to maintain a positive net worth, in exchange for senior preferred stock.

5 Includes securities purchased on a when-issued or delayed-delivery basis for which the portfolio has not taken delivery as of December 31, 2020.

6 Security exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2020, the aggregate value was \$181,573,000, representing 5.4% of net assets.

7 Variable rate security; rate shown is effective rate at period end. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent based on current market conditions.

8 Face amount denominated in Canadian dollars.

9 Scheduled principal and interest payments are guaranteed by Assured Guaranty Municipal Corp.

10 Face amount denominated in Japanese yen.

11 Scheduled principal and interest payments are guaranteed by Build America Mutual Assurance Co.

12 Scheduled principal and interest payments are guaranteed by National Public Finance Guarantee Corp.

13 Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.

14 Collateral of \$8,702,000 was received for securities on loan.

1M—1-month.

3M—3-month.

ADR—American Depositary Receipt.

GO—General Obligation Bond.

LIBOR—London Interbank Offered Rate.

REMICs—Real Estate Mortgage Investment Conduits.

UMBS—Uniform Mortgage-Backed Securities.

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

				(\$000)
	Expiration	Number of Long (Short) Contracts	Notional Amount	Value and Unrealized Appreciation (Depreciation)
Long Futures Contracts				
5-Year U.S. Treasury Note	March 2021	77	9,715	20
Short Futures Contracts				
10-Year U.S. Treasury Note	March 2021	(25)	(3,452)	(4)
				16

Forward Currency Contracts

Counterparty	Contract Settlement Date	Contract Amount (000)				Unrealized Appreciation (\$000)	Unrealized Depreciation (\$000)
		Receive		Deliver			
Citibank, N.A.	1/7/21	USD	651	CAD	833	—	(4)
Goldman Sachs International	1/19/21	USD	4,860	JPY	500,000	17	—
Toronto-Dominion Bank	2/1/21	USD	3,849	JPY	400,000	—	(27)
Toronto-Dominion Bank	1/25/21	USD	962	JPY	100,000	—	(7)
Toronto-Dominion Bank	2/8/21	USD	530	JPY	55,000	—	(3)
						17	(41)

CAD—Canadian dollar.

JPY—Japanese yen.

USD—U.S. dollar.

Statement of Assets and Liabilities

As of December 31, 2020

(\$000s, except shares and per-share amounts)	Amount
Assets	
Investments in Securities, at Value	
Unaffiliated Issuers (Cost \$2,594,622)	3,348,289
Affiliated Issuers (Cost \$8,714)	8,714
Total Investments in Securities	3,357,003
Investment in Vanguard	130
Foreign Currency, at Value (Cost \$211)	212
Receivables for Investment Securities Sold	8,342
Receivables for Accrued Income	8,923
Receivables for Capital Shares Issued	1,066
Variation Margin Receivable—Futures Contracts	1
Unrealized Appreciation—Forward Currency Contracts	17
Total Assets	3,375,694
Liabilities	
Due to Custodian	2,044
Payables for Investment Securities Purchased	13,929
Collateral for Securities on Loan	8,702
Payables to Investment Advisor	336
Payables for Capital Shares Redeemed	4,048
Payables to Vanguard	290
Unrealized Depreciation—Forward Currency Contracts	41
Total Liabilities	29,390
Net Assets	3,346,304

At December 31, 2020, net assets consisted of:

Paid-in Capital	2,356,594
Total Distributable Earnings (Loss)	989,710
Net Assets	3,346,304

Net Assets	
Applicable to 130,314,927 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	3,346,304
Net Asset Value Per Share	\$25.68

Statement of Operations

	Year Ended December 31, 2020
	(\$000)
Investment Income	
Income	
Dividends ¹	44,208
Interest	31,707
Securities Lending—Net	46
Total Income	75,961
Expenses	
Investment Advisory Fees—Note B	
Basic Fee	1,595
Performance Adjustment	(276)
The Vanguard Group—Note C	
Management and Administrative	4,622
Marketing and Distribution	248
Custodian Fees	40
Auditing Fees	33
Shareholders' Reports	30
Trustees' Fees and Expenses	4
Total Expenses	6,296
Net Investment Income	69,665
Realized Net Gain (Loss)	
Investment Securities Sold ²	176,174
Futures Contracts	(252)
Options Purchased	(75)
Forward Currency Contracts	(26)
Foreign Currencies	40
Realized Net Gain (Loss)	175,861
Change in Unrealized Appreciation (Depreciation)	
Investment Securities ²	67,886
Futures Contracts	132
Forward Currency Contracts	10
Foreign Currencies	71
Change in Unrealized Appreciation (Depreciation)	68,099
Net Increase (Decrease) in Net Assets Resulting from Operations	313,625

¹ Dividends are net of foreign withholding taxes of \$1,081,000.

² Realized net gain (loss), and change in unrealized appreciation (depreciation) from an affiliated company of the portfolio were \$3,000, and \$—, respectively. Purchases and sales are for temporary cash investment purposes.

Statement of Changes in Net Assets

	Year Ended December 31,	
	2020	2019
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	69,665	80,651
Realized Net Gain (Loss)	175,861	103,738
Change in Unrealized Appreciation (Depreciation)	68,099	419,867
Net Increase (Decrease) in Net Assets Resulting from Operations	313,625	604,256
Distributions¹		
Total Distributions	(186,299)	(241,965)
Capital Share Transactions		
Issued	249,434	264,878
Issued in Lieu of Cash Distributions	186,299	241,965
Redeemed	(483,258)	(310,250)
Net Increase (Decrease) from Capital Share Transactions	(47,525)	196,593
Total Increase (Decrease)	79,801	558,884
Net Assets		
Beginning of Period	3,266,503	2,707,619
End of Period	3,346,304	3,266,503

¹ Certain prior-period numbers have been reclassified to conform with the current-period presentation.

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended December 31,				
	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$24.94	\$22.20	\$24.80	\$23.03	\$22.32
Investment Operations					
Net Investment Income	.526 ¹	.623 ¹	.626 ¹	.582 ¹	.581
Net Realized and Unrealized Gain (Loss) on Investments	1.692	4.105	(1.414)	2.648	1.713
Total from Investment Operations	2.218	4.728	(.788)	3.230	2.294
Distributions					
Dividends from Net Investment Income	(.666)	(.660)	(.582)	(.567)	(.576)
Distributions from Realized Capital Gains	(.812)	(1.328)	(1.230)	(.893)	(1.008)
Total Distributions	(1.478)	(1.988)	(1.812)	(1.460)	(1.584)
Net Asset Value, End of Period	\$25.68	\$24.94	\$22.20	\$24.80	\$23.03
Total Return	10.68%	22.48%	-3.41%	14.72%	11.01%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$3,346	\$3,267	\$2,708	\$2,942	\$2,554
Ratio of Total Expenses to Average Net Assets ²	0.20%	0.21%	0.21%	0.23%	0.23%
Ratio of Net Investment Income to Average Net Assets	2.24%	2.68%	2.67%	2.49%	2.66%
Portfolio Turnover Rate ³	49%	29%	36%	28%	33%

1 Calculated based on average shares outstanding.

2 Includes performance-based investment advisory fee increases (decreases) of (0.01%), (0.00%), (0.00%), (0.00%), and (0.01%).

3 Includes 3%, 8%, 2%, 0%, and 0% attributable to mortgage-dollar-roll activity.

Notes to Financial Statements

The Balanced Portfolio, a portfolio of Vanguard Variable Insurance Funds, is registered under the Investment Company Act of 1940 as an open-end investment company. The portfolio's shares are only available for purchase by separate accounts of insurance companies as investments for variable annuity plans, variable life insurance contracts, or other variable benefit insurance contracts. Certain of the portfolio's investments are in corporate debt instruments; the issuers' abilities to meet their obligations may be affected by economic developments in their respective industries. Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the portfolio and thus portfolio performance.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The portfolio consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Bonds and temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services. Structured debt securities, including mortgages and asset-backed securities, are valued using the latest bid prices or using valuations based on a matrix system that considers such factors as issuer, tranche, nominal or option-adjusted spreads, weighted average coupon, weighted average maturity, credit enhancements, and collateral. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Securities for which market quotations are not readily available, or whose values have been affected by events occurring before the portfolio's pricing time but after the close of the securities' primary markets, are valued at their fair values calculated according to procedures adopted by the board of trustees. These procedures include obtaining quotations from an independent pricing service, monitoring news to identify significant market- or security-specific events, and evaluating changes in the values of foreign market proxies (for example, ADRs, futures contracts, or exchange-traded funds), between the time the foreign markets close and the portfolio's pricing time. When fair-value pricing is employed, the prices of securities used by a portfolio to calculate its net asset value may differ from quoted or published prices for the same securities.

2. **Foreign Currency:** Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates obtained from an independent third party as of the portfolio's pricing time on the valuation date. Realized gains (losses) and unrealized appreciation (depreciation) on investment securities include the effects of changes in exchange rates since the securities were purchased, combined with the effects of changes in security prices. Fluctuations in the value of other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains (losses) until the assets or liabilities are settled in cash, at which time they are recorded as realized foreign currency gains (losses).

3. **Futures Contracts:** The portfolio uses futures contracts to invest in fixed income asset classes with greater efficiency and lower cost than is possible through direct investment, to add value when these instruments are attractively priced, or to adjust sensitivity to changes in interest rates. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of bonds held by the portfolio and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the portfolio trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the portfolio's performance and requires daily settlement of variation margin representing changes in the market value of each contract. Any securities pledged as initial margin for open contracts are noted in the Schedule of Investments.

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures contracts.

During the year ended December 31, 2020, the portfolio's average investments in long and short futures contracts each represented less than 1% of net assets, based on the average of the notional amounts at each quarter-end during the period.

4. Forward Currency Contracts: The portfolio enters into forward currency contracts to provide the appropriate currency exposure related to any open futures contracts or to protect the value of securities and related receivables and payables against changes in foreign exchange rates. The portfolio's risks in using these contracts include movement in the values of the foreign currencies relative to the U.S. dollar and the ability of the counterparties to fulfill their obligations under the contracts. The portfolio mitigates its counterparty risk by entering into forward currency contracts only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the portfolio cannot be repledged, resold, or rehypothecated. The master netting arrangements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate the forward currency contracts, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the portfolio under the master netting arrangements. The forward currency contracts contain provisions whereby a counterparty may terminate open contracts if the portfolio's net assets decline below a certain level, triggering a payment by the portfolio if the portfolio is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the portfolio has pledged. Any securities pledged as collateral for open contracts are noted in the Schedule of Investments. The value of collateral received or pledged is compared daily to the value of the forward currency contracts exposure with each counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

Forward currency contracts are valued at their quoted daily prices obtained from an independent third party, adjusted for currency risk based on the expiration date of each contract. The notional amounts of the contracts are not recorded in the Statement of Net Assets. Fluctuations in the value of the contracts are recorded in the Statement of Net Assets as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized forward currency contract gains (losses).

During the year ended December 31, 2020, the portfolio's average investment in forward currency contracts represented less than 1% of net assets, based on the average of the notional amounts at each quarter-end during the period.

5. Options: The portfolio invests in options contracts on futures to adjust its exposure to the underlying investments. The primary risk associated with purchasing options is that if interest rates move in such a way that the option is out-of-the-money, the position is worthless at expiration, and the portfolio loses premium paid. The primary risk associated with selling options is that if interest rates move in such a way that the option is in-the-money, the counterparty exercises the option, and the portfolio loses an amount equal to the market value of the option written less the premium received. Counterparty risk involving options on futures contracts is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the portfolio trades options on futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouses, and has entered into clearing agreements with its clearing brokers.

Options contracts on futures are valued at their quoted daily settlement prices. The premium paid for a purchased option is recorded in the Statement of Assets and Liabilities as an asset that is subsequently adjusted daily to the current market value of the option purchased. The premium received for a written option is recorded in the Statement of Assets and Liabilities as an asset with an equal liability that is subsequently adjusted daily to the current market value of the option written. The notional amounts of option contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the options are recorded in the Statement of Operations as unrealized appreciation (depreciation) until expired, closed, or exercised, at which time realized gains (losses) are recognized.

During the year ended December 31, 2020, the portfolio's average value of investments in options purchased and options written each represented 0% of net assets, based on the average market values at each quarter-end during the period. The portfolio had no open options contracts on futures at December 31, 2020.

6. To Be Announced (TBA) Transactions: A TBA transaction is an agreement to buy or sell mortgage-backed securities with agreed-upon characteristics (face amount, coupon, maturity) for settlement at a future date. The portfolio may be a seller of TBA transactions to reduce its exposure to the mortgage-backed securities market or in order to sell mortgage-backed securities it owns under delayed-delivery arrangements. When the portfolio is a buyer of TBA transactions, it maintains cash or short-term investments in an amount sufficient to meet the purchase price at the settlement date of the TBA transaction. The primary risk associated with TBA transactions is that a counterparty

may default on its obligations. The portfolio mitigates its counterparty risk by, among other things, performing a credit analysis of counterparties, allocating transactions among numerous counterparties, and monitoring its exposure to each counterparty. The portfolio may also enter into a Master Securities Forward Transaction Agreement (MSFTA) with certain counterparties and require them to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the portfolio cannot be repledged, resold, or rehypothecated. Under an MSFTA, upon a counterparty default (including bankruptcy), the portfolio may terminate any TBA transactions with that counterparty, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the portfolio under the master netting arrangements.

7. Mortgage Dollar Rolls: The portfolio enters into mortgage-dollar-roll transactions, in which the portfolio sells mortgage-backed securities to a dealer and simultaneously agrees to purchase similar securities in the future at a predetermined price. The proceeds of the securities sold in mortgage-dollar-roll transactions are typically invested in high-quality short-term fixed income securities. The portfolio forgoes principal and interest paid on the securities sold, and is compensated by interest earned on the proceeds of the sale and by a lower price on the securities to be repurchased. The portfolio has also entered into mortgage-dollar-roll transactions in which the portfolio buys mortgage-backed securities from a dealer pursuant to a TBA transaction and simultaneously agrees to sell similar securities in the future at a predetermined price. The securities bought in mortgage-dollar-roll transactions are used to cover an open TBA sell position. The portfolio continues to earn interest on mortgage-backed security pools already held and receives a lower price on the securities to be sold in the future. The portfolio accounts for mortgage-dollar-roll transactions as purchases and sales; as such, these transactions may increase the portfolio's portfolio turnover rate. Amounts to be received or paid in connection with open mortgage dollar rolls are included in Receivables for Investment Securities Sold or Payables for Investment Securities Purchased in the Statement of Assets and Liabilities.

8. Repurchase Agreements: The portfolio enters into repurchase agreements with institutional counterparties. Securities pledged as collateral to the portfolio under repurchase agreements are held by a custodian bank until the agreements mature, and in the absence of a default, such collateral cannot be repledged, resold, or rehypothecated. Each agreement requires that the market value of the collateral be sufficient to cover payments of interest and principal. The portfolio further mitigates its counterparty risk by entering into repurchase agreements only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master repurchase agreements with its counterparties. The master repurchase agreements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate any repurchase agreements with that counterparty, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the portfolio. Such action may be subject to legal proceedings, which may delay or limit the disposition of collateral.

9. Federal Income Taxes: The portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income. The portfolio's tax returns are open to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return. Management has analyzed the portfolio's tax positions taken for all open federal and state income tax years, and has concluded that no provision for income tax is required in the portfolio's financial statements.

10. Distributions: Distributions to shareholders are recorded on the ex-dividend date. Distributions are determined on a tax basis at the fiscal year-end and may differ from net investment income and realized capital gains for financial reporting purposes.

11. Securities Lending: To earn additional income, the portfolio lends its securities to qualified institutional borrowers. Security loans are subject to termination by the portfolio at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled on the next business day. The portfolio further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the portfolio; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the event of a default, the portfolio may experience delays and costs in recovering the securities loaned. The portfolio invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Assets and Liabilities for the return of the

collateral, during the period the securities are on loan. Collateral investments in Vanguard Market Liquidity Fund are subject to market appreciation or depreciation. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the portfolio is entitled to all distributions made on or in respect of the loaned securities.

12. Credit Facilities and Interfund Lending Program: The portfolio and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$4.3 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement and an uncommitted credit facility provided by Vanguard. Both facilities may be renewed annually. Each fund is individually liable for its borrowings, if any, under the credit facilities. Borrowings may be utilized for temporary or emergency purposes, subject to the portfolio's regulatory and contractual borrowing restrictions. With respect to the committed credit facility, the participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn committed amount of the facility; these fees are allocated to the funds based on a method approved by the portfolio's board of trustees and included in Management and Administrative expenses on the portfolio's Statement of Operations. Any borrowings under either facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate (or an acceptable alternate rate, if necessary), federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread, except that borrowings under the uncommitted credit facility may bear interest based upon an alternate rate agreed to by the portfolio and Vanguard.

In accordance with an exemptive order (the "Order") from the SEC, the portfolio may participate in a joint lending and borrowing program that allows registered open-end Vanguard funds to borrow money from and lend money to each other for temporary or emergency purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the portfolio's investment objective and investment policies. Interfund loans and borrowings normally extend overnight, but can have a maximum duration of seven days. Loans may be called on one business day's notice. The interest rate to be charged is governed by the conditions of the Order and internal procedures adopted by the board of trustees. The board of trustees is responsible for overseeing the Interfund Lending Program.

For the year ended December 31, 2020, the portfolio did not utilize the credit facilities or the Interfund Lending Program.

13. Other: Dividend income is recorded on the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair value of the securities received. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for premiums on certain callable debt securities that are amortized to the earliest call date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. Wellington Management Company LLP provides investment advisory services to the portfolio for a fee calculated at an annual percentage rate of average net assets. The basic fee is subject to quarterly adjustments based on the portfolio's performance relative to the combined index comprising the S&P 500 Index and the Bloomberg Barclays U.S. Credit A or Better Bond Index for the preceding three years. For the year ended December 31, 2020, the investment advisory fee represented an effective annual rate of 0.05% of the portfolio's average net assets, before a decrease of \$276,000 (0.01%) based on performance.

C. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the portfolio, Vanguard furnishes to the portfolio corporate management, administrative, marketing, and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the portfolio based on methods and guidelines approved by the board of trustees and are generally settled twice a month.

Upon the request of Vanguard, the portfolio may invest up to 0.40% of its net assets as capital in Vanguard. At December 31, 2020, the portfolio had contributed to Vanguard capital in the amount of \$130,000, representing less than 0.01% of the portfolio's net assets and 0.05% of Vanguard's capital received pursuant to the FSA. The portfolio's trustees and officers are also directors and employees, respectively, of Vanguard.

D. Various inputs may be used to determine the value of the portfolio's investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

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

Level 3—Significant unobservable inputs (including the portfolio's own assumptions used to determine the fair value of investments). Any investments and derivatives valued with significant unobservable inputs are noted on the Schedule of Investments.

The following table summarizes the market value of the portfolio's investments and derivatives as of December 31, 2020, based on the inputs used to value them:

	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
Investments				
Assets				
Common Stocks	2,004,294	175,664	—	2,179,958
U.S. Government and Agency Obligations	—	195,746	—	195,746
Asset-Backed/Commercial Mortgage-Backed Securities	—	27,308	—	27,308
Corporate Bonds	—	756,996	—	756,996
Sovereign Bonds	—	19,812	—	19,812
Taxable Municipal Bonds	—	61,670	—	61,670
Temporary Cash Investments	8,714	106,799	—	115,513
Total	2,013,008	1,343,995	—	3,357,003
Derivative Financial Instruments				
Assets				
Futures Contracts ¹	1	—	—	1
Foreign Currency Contracts	—	17	—	17
Total	1	17	—	18
Liabilities				
Foreign Currency Contracts	—	41	—	41

¹ Represents variation margin on the last day of the reporting period.

E. At December 31, 2020, the fair values of derivatives were reflected in the Statement of Assets and Liabilities as follows:

Statement of Assets and Liabilities Caption	Interest Rate Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Variation Margin Receivable— Futures Contracts	1	—	1
Unrealized Appreciation—Forward Currency Contracts	—	17	17
Total Assets	1	17	18
Unrealized Depreciation— Forward Currency Contracts	—	41	41
Total Liabilities	—	41	41

Balanced Portfolio

Realized net gain (loss) and the change in unrealized appreciation (depreciation) on derivatives for the year ended December 31, 2020, were:

	Interest Rate Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Realized Net Gain (Loss) on Derivatives			
Futures Contracts	(252)	—	(252)
Options Purchased	(75)	—	(75)
Forward Currency Contracts	—	(26)	(26)
Realized Net Gain (Loss) on Derivatives	(327)	(26)	(353)
Change in Unrealized Appreciation (Depreciation) on Derivatives			
Futures Contracts	132	—	132
Forward Currency Contracts	—	10	10
Change in Unrealized Appreciation (Depreciation) on Derivatives	132	10	142

F. Permanent differences between book-basis and tax-basis components of net assets are reclassified among capital accounts in the financial statements to reflect their tax character. These reclassifications have no effect on net assets or net asset value per share. As of period end, permanent differences primarily attributable to the accounting for foreign currency transactions were reclassified between the individual components of total distributable earnings (loss).

Temporary differences between book-basis and tax-basis components of total distributable earnings (loss) arise when certain items of income, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. The differences are primarily related to the deferral of losses from wash sales; the deferral of losses from straddles; and the recognition of unrealized gains or losses from certain derivative contracts. As of period end, the tax-basis components of total distributable earnings (loss) are detailed in the table as follows:

	Amount (\$000)
Undistributed Ordinary Income	76,189
Undistributed Long-Term Gains	161,175
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Net Unrealized Gains (Losses)	752,346

The tax character of distributions paid was as follows:

	Year Ended December 31,	
	2020 Amount (\$000)	2019 Amount (\$000)
Ordinary Income*	87,602	80,367
Long-Term Capital Gains	98,697	161,598
Total	186,299	241,965

* Includes short-term capital gains, if any.

As of December 31, 2020, gross unrealized appreciation and depreciation for investments and derivatives based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	2,604,744
Gross Unrealized Appreciation	770,373
Gross Unrealized Depreciation	(18,114)
Net Unrealized Appreciation (Depreciation)	752,259

G. During the year ended December 31, 2020, the portfolio purchased \$1,289,941,000 of investment securities and sold \$1,347,936,000 of investment securities, other than U.S. government securities and temporary cash investments. Purchases and sales of U.S. government securities were \$215,044,000 and \$380,846,000, respectively.

H. Capital shares issued and redeemed were:

	Year Ended December 31,	
	2020 Shares (000)	2019 Shares (000)
Issued	10,781	11,351
Issued in Lieu of Cash Distributions	9,447	10,988
Redeemed	(20,878)	(13,353)
Net Increase (Decrease) in Shares Outstanding	(650)	8,986

At December 31, 2020, one shareholder (an insurance company separate account whose holdings in the portfolio represent the indirect investment of Vanguard Variable Annuity contract holders) was the record or beneficial owner of 72% of the portfolio's net assets. If this shareholder was to redeem its investment in the portfolio, the redemption might result in an increase in the portfolio's expense ratio, cause the portfolio to incur higher transaction costs, or lead to the realization of taxable capital gains.

I. Management has determined that no events or transactions occurred subsequent to December 31, 2020, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Variable Insurance Funds and Shareholders of Balanced Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Balanced Portfolio (one of the portfolios constituting Vanguard Variable Insurance Funds, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent; 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
Philadelphia, Pennsylvania
February 18, 2021

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Special 2020 tax information (unaudited) for corporate shareholders only for Balanced Portfolio, a portfolio of Vanguard Variable Insurance Funds

This information for the fiscal year ended December 31, 2020, is included pursuant to provisions of the Internal Revenue Code for corporate shareholders only.

The portfolio distributed \$98,697,000 as capital gain dividends (20% rate gain distributions) to shareholders during the fiscal year.

For corporate shareholders, 40.2% of investment income (dividend income plus short-term gains, if any) qualifies for the dividends-received deduction.

The percentage of the ordinary dividends reported by the fund that is treated as a Section 163(j) interest dividend and thus is eligible to be treated as interest income for purposes of Section 163(j) and the regulations thereunder is 32.4%.

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The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 211 Vanguard funds.

Information for each trustee and executive officer of the fund appears below. That information, as well as the Vanguard fund count, is as of the date on the cover of this fund report. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at vanguard.com.

Interested Trustee¹

Mortimer J. Buckley

Born in 1969. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: chairman of the board (2019–present) of Vanguard and of each of the investment companies served by Vanguard; chief executive officer (2018–present) of Vanguard; chief executive officer, president, and trustee (2018–present) of each of the investment companies served by Vanguard; president and director (2017–present) of Vanguard; and president (2018–present) of Vanguard Marketing Corporation. Chief investment officer (2013–2017), managing director (2002–2017), head of the Retail Investor Group (2006–2012), and chief information officer (2001–2006) of Vanguard. Chairman of the board (2011–2017) and trustee (2009–2017) of the Children's Hospital of Philadelphia; and trustee (2018–present) and vice chair (2019–present) of The Shipley School.

Independent Trustees

Emerson U. Fullwood

Born in 1948. Trustee since January 2008. Principal occupation(s) during the past five years and other experience: executive chief staff and marketing officer for North America and corporate vice president (retired 2008) of Xerox Corporation (document management products and services). Former president of the Worldwide Channels Group, Latin America, and Worldwide Customer Service and executive chief staff officer of Developing Markets of Xerox. Executive in residence and 2009–2010 Distinguished Minett Professor at the Rochester Institute of Technology. Director of SPX FLOW, Inc. (multi-industry manufacturing). Director of the University of Rochester Medical Center, the Monroe Community College Foundation, the United Way of Rochester, North Carolina A&T University, and Roberts Wesleyan College. Trustee of the University of Rochester.

Amy Gutmann

Born in 1949. Trustee since June 2006. Principal occupation(s) during the past five years and other experience: president (2004–present) of the University of Pennsylvania. Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and professor of communication, Annenberg School for Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania.

F. Joseph Loughrey

Born in 1949. Trustee since October 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2009) and vice chairman of the board (2008–2009) of Cummins Inc. (industrial machinery). Chairman of the board of Hillenbrand, Inc. (specialized consumer services) and the Lumina Foundation. Director of the V Foundation. Member of the advisory council for the College of Arts and Letters and chair of the advisory board to the Kellogg Institute for International Studies, both at the University of Notre Dame.

Mark Loughridge

Born in 1953. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: senior vice president and chief financial officer (retired 2013) of IBM (information technology services). Fiduciary member of IBM's Retirement Plan Committee (2004–2013), senior vice president and general manager (2002–2004) of IBM Global Financing, vice president and controller (1998–2002) of IBM, and a variety of other prior management roles at IBM. Member of the Council on Chicago Booth.

Scott C. Malpass

Born in 1962. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: chief investment officer (retired June 2020) and vice president (retired June 2020) of the University of Notre Dame. Assistant professor of finance at the Mendoza College of Business, University of Notre Dame, and member of the Notre Dame 403(b) Investment Committee (retired June 2020). Member of the board of Catholic Investment Services, Inc. (investment advisors) and the board of superintendence of the Institute for the Works of Religion.

Deanna Mulligan

Born in 1963. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: board chair (2020–present), chief executive officer (2011–2020), and president (2010–2019) of The Guardian Life Insurance Company of America. Chief operating officer (2010–2011) and executive vice president (2008–2010) of the individual life and disability division of Guardian Life. Member of the board of the American Council of Life Insurers and the board of the Economic Club of New York. Trustee of the Partnership for New York City (business leadership), Chief Executives for Corporate Purpose, NewYork-Presbyterian Hospital, Catalyst, and the

Bruce Museum (arts and science). Member of the Advisory Council for the Stanford Graduate School of Business.

André F. Perold

Born in 1952. Trustee since December 2004. Principal occupation(s) during the past five years and other experience: George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011). Chief investment officer and co-managing partner of HighVista Strategies (private investment firm). Member of the board of advisors and member of the investment committee of the Museum of Fine Arts Boston. Member of the board (2018–present) of RIT Capital Partners (investment firm). Member of the investment committee of Partners Health Care System.

Sarah Bloom Raskin

Born in 1961. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: deputy secretary (2014–2017) of the United States Department of the Treasury. Governor (2010–2014) of the Federal Reserve Board. Commissioner (2007–2010) of financial regulation for the State of Maryland. Member of the board of directors (2012–2014) of Neighborhood Reinvestment Corporation. Director (2017–present) of i(x) Investments, LLC; director (2017–present) of Reserve Trust. Rubenstein Fellow (2017–present) of Duke University; trustee (2017–present) of Amherst College, and trustee (2019–present) of the Folger Shakespeare Library.

Peter F. Volanakis

Born in 1955. Trustee since July 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2010) of Corning Incorporated (communications equipment) and director of Corning Incorporated (2000–2010) and Dow Corning (2001–2010). Director (2012) of SPX Corporation (multi-industry manufacturing). Overseer of the Amos Tuck School of Business Administration, Dartmouth College (2001–2013). Chairman of the board of trustees of Colby-Sawyer College. Member of the board of Hypertherm Inc. (industrial cutting systems, software, and consumables).

¹ Mr. Buckley is considered an "interested person," as defined in the Investment Company Act of 1940, because he is an officer of the Vanguard funds.

Executive Officers

John Bendl

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief financial officer (2019–present) of each of the investment companies served by Vanguard. Chief accounting officer, treasurer, and controller of Vanguard (2017–present). Partner (2003–2016) at KPMG (audit, tax, and advisory services).

Christine M. Buchanan

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Treasurer (2017–present) of each of the investment companies served by Vanguard. Partner (2005–2017) at KPMG (audit, tax, and advisory services).

David Cermak

Born in 1960. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present) of each of the investment companies served by Vanguard. Managing director and head (2017–present) of Vanguard Investments Singapore. Managing director and head (2017–2019) of Vanguard Investments Hong Kong. Representative director and head (2014–2017) of Vanguard Investments Japan.

John Galloway

Born in 1973. Principal occupation(s) during the past five years and other experience: principal of Vanguard.

Investment stewardship officer (September 2020–present) of each of the investment companies served by Vanguard. Head of Investor Advocacy (February 2020–present) and head of Marketing Strategy and Planning (2017–2020) at Vanguard. Deputy assistant to the President of the United States (2015).

Thomas J. Higgins

Born in 1957. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present), chief financial officer (2008–2019), and treasurer (1998–2008) of each of the investment companies served by Vanguard.

Peter Mahoney

Born in 1974. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Controller (2015–present) of each of the investment companies served by Vanguard. Head of International Fund Services (2008–2014) at Vanguard.

Anne E. Robinson

Born in 1970. Principal occupation(s) during the past five years and other experience: general counsel (2016–present) of Vanguard. Secretary (2016–present) of Vanguard and of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Managing director and general counsel of Global Cards and Consumer Services (2014–2016) at Citigroup. Counsel (2003–2014) at American Express.

Michael Rollings

Born in 1963. Principal occupation(s) during the past five years and other experience: finance director (2017–present) and treasurer (2017) of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Chief financial officer (2016–present) of Vanguard. Director (2016–present) of Vanguard Marketing Corporation. Executive vice president and chief financial officer (2006–2016) of MassMutual Financial Group.

John E. Schadl

Born in 1972. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief compliance officer (2019–present) of Vanguard and of each of the investment companies served by Vanguard. Assistant vice president (2019–present) of Vanguard Marketing Corporation.

Vanguard Senior Management Team

Joseph Brennan
Mortimer J. Buckley
Gregory Davis
John James
John T. Marcante
Chris D. McIsaac

James M. Norris
Thomas M. Rampulla
Karin A. Risi
Anne E. Robinson
Michael Rollings
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Annual Report | December 31, 2020

Vanguard Variable Insurance Funds

High Yield Bond Portfolio

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Your Portfolio's Performance at a Glance

- For the 12 months ended December 31, 2020, the High Yield Bond Portfolio returned 5.67%, lagging the 7.53% return of its benchmark, the High-Yield Corporate Composite Index.
- The year was defined by the COVID-19 pandemic and efforts to contain it. Travel restrictions, supply-chain disruptions, business closures, and a spike in unemployment led swiftly to deep recessions around the world. In response, many governments were quick to provide fiscal stimulus in the form of spending, loans, loan guarantees, job retention programs, and extended unemployment benefits. Central banks in developed markets rapidly cut interest rates, restarted or expanded asset purchases, and provided additional liquidity. They also pledged to remain vigilant and take more actions if needed.
- U.S. Treasuries returned 8.00%, as represented by the Bloomberg Barclays U.S. Treasury Index. Mortgage-backed securities returned less, but corporate bonds fared better, returning 9.89%, as represented by the Bloomberg Barclays U.S. Corporate Bond Index. Lower-rated investment-grade bonds bested higher-rated ones, and longer-dated bonds significantly outperformed shorter-dated ones. The spread between corporate yields and Treasury yields tightened.
- Within the high-yield market, however, the spread widened. Higher-quality bonds generally outperformed those of lower quality. Among corporates, high-yield bonds issued by utilities bested those issued by financial and industrial companies.
- For the 10 years ended December 31, 2020, the portfolio posted an average annual return of 6.38%. Its benchmark index recorded an average annual return of 6.57%.
- Please note that the portfolio's returns are different from those in Vanguard Variable Annuity (and other plans that invest in the portfolio), which take into account insurance-related expenses.

Market Barometer

	Average Annual Total Returns Periods Ended December 31, 2020		
	One Year	Three Years	Five Years
Stocks			
Russell 1000 Index (Large-caps)	20.96%	14.82%	15.60%
Russell 2000 Index (Small-caps)	19.96	10.25	13.26
Russell 3000 Index (Broad U.S. market)	20.89	14.49	15.43
FTSE All-World ex US Index (International)	11.22	5.18	9.16
Bonds			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	7.51%	5.34%	4.44%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	5.21	4.64	3.91
FTSE Three-Month U.S. Treasury Bill Index	0.58	1.56	1.16
CPI			
Consumer Price Index	1.36%	1.85%	1.95%

Advisor's Report

The investment environment

For the 12 months ended December 31, 2020, the High Yield Bond Portfolio returned 5.67%, compared with the benchmark return of 7.53%. Please note that the portfolio's returns are different from those in Vanguard Variable Annuity (and other plans that invest in the portfolio), which take into account insurance-related expenses.

The benefits of coupon income and decreasing interest rates offset the impact of wider credit spreads. Sovereign yields declined to record lows in several developed markets, a result of global recession fears caused by the COVID-19 pandemic.

High-yield bond spreads widened sharply in March over expectations that the decline in economic activity and supply-chain disruptions would cause credit fundamentals to deteriorate. The spreads subsequently tightened, however, reducing most of that widening by the end of the year.

Global central banks and governments deployed extraordinary monetary and fiscal stimulus during the year to support businesses and consumers. The Federal Reserve cut short-term interest rates to a range of 0%–0.25% and increased the size and scope of its asset purchase program. The European Central Bank launched its own massive asset purchase program, which included nonfinancial commercial paper for the first time, and eased collateral rules.

The 10-year U.S. Treasury yield fell to 0.91% at the end of December 2020 from 1.92% at the end of December 2019. Because bond yields and prices move in opposite directions, bond prices rose. The spread of the high-yield market widened to 360 basis points over Treasuries as of December 31, 2020, from 336 basis points at the end of 2019. The average price of high-yield bonds increased \$4, to \$105.

There was notable dispersion in performance by credit quality over the year as the high-yield market generally rewarded higher-quality credits, given their greater sensitivity to changes in interest rates. The highest-rated BB bonds led, returning 10.17%, according to Bloomberg Barclays High Yield Index data, while CCC-rated bonds lagged, with a 2.27% return. B-rated bonds returned 4.59%.

Our medium- to long-term macroeconomic outlook is optimistic. We expect fiscal and monetary stimulus, as well as vaccine distribution, to support the economic recovery. While we anticipate a strong rebound in the second half of 2021, we expect a difficult short-term environment because of spiking COVID-19 cases across the U.S. and disappointing initial vaccine distribution.

Although still above average, the high-yield default rate has fallen materially on the back of massive monetary and fiscal stimulus, along with wide-open capital markets. We expect defaults will continue to trend lower during 2021. Much of the "COVID discount" from last year has been narrowed, but pockets of opportunity remain. In sectors directly affected by COVID-19, security selection is key.

We expect some business models to fail because of permanent secular and/or behavioral changes, while others can adjust if capital markets give them adequate time and liquidity. We believe demand is likely to stay strong for the foreseeable future, as global interest rates stay low and aging demographic cohorts continue to seek higher yields.

Our near-term view of the high-yield market remains cautious. We believe that maintaining a slightly defensive risk posture, with an intense focus on security selection, is warranted amid spiking COVID-19 numbers, the U.S. political transition, the waning effects of government stimulus, and the fact that credit spreads tightened from last year.

Our longer-term outlook is more positive, however. We see plenty of reasons to be optimistic as we look nine to 12 months out from now. While bouts of volatility may persist, we continue to take a long-term, issuer-specific approach to finding opportunities in this market.

The portfolio's shortfalls

Positioning and security selection in the energy and financial institutions sectors detracted from relative returns. Credit selection in the food and beverage segment also hurt relative performance.

The portfolio's successes

The portfolio benefited from positioning and positive credit selection in the transportation sector, as well as credit selection in the pharmaceuticals sector. An underweight to government securities also helped relative performance.

The portfolio's positioning

The portfolio remains consistent in its investment objective and strategy and maintains meaningful exposure to relatively higher-quality names in the high-yield market. We believe these companies have more stable credit profiles and greater predictability of cash flows than those at the lower end of the quality spectrum.

We lean toward higher-quality credits in an effort to minimize defaults and provide stable income. We continue to diversify the portfolio's holdings by issuer and industry. We also continue to deemphasize non-cash-paying securities, preferred stocks, and equity-linked securities, such as convertibles, because of their potential for volatility.

Michael L. Hong, CFA,
Senior Managing Director and Fixed
Income Portfolio Manager

Wellington Management Company LLP

January 21, 2021

About Your Portfolio's Expenses

As a shareholder of the portfolio, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a portfolio's gross income, directly reduce the investment return of the portfolio.

A portfolio's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your portfolio and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your portfolio's costs in two ways:

- **Based on actual portfolio return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the portfolio's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the portfolio. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, 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 given for your portfolio under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your portfolio's costs with those of other mutual funds. It assumes that the portfolio had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the portfolio's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your portfolio's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the portfolio for buying and selling securities. The portfolio's expense ratio does not reflect additional fees and expenses associated with the annuity or life insurance program through which you invest.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the portfolio's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your portfolio's current prospectus.

Six Months Ended December 31, 2020

	Beginning Account Value 6/30/2020	Ending Account Value 12/31/2020	Expenses Paid During Period
High Yield Bond Portfolio			
Based on Actual Portfolio Return	\$1,000.00	\$ 1,091.40	\$1.37
Based on Hypothetical 5% Yearly Return	1,000.00	1,023.83	1.32

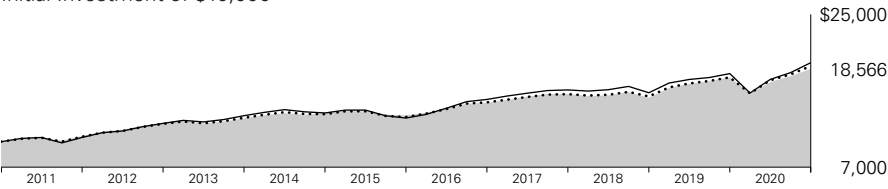
The calculations are based on expenses incurred in the most recent six-month period. The portfolio's annualized six-month expense ratio for that period is 0.26%. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (184/366).

High Yield Bond Portfolio

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the portfolio. (Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on portfolio distributions or on the sale of portfolio shares. Nor do the returns reflect fees and expenses associated with the annuity or life insurance program through which a shareholder invests. If these fees and expenses were included, the portfolio's returns would be lower.

Cumulative Performance: December 31, 2010, Through December 31, 2020
Initial Investment of \$10,000



	Average Annual Total Returns Periods Ended December 31, 2020			Final Value of a \$10,000 Investment
	One Year	Five Years	Ten Years	
High Yield Bond Portfolio	5.67%	7.22%	6.38%	\$18,566
High-Yield Corporate Composite Index	7.53	7.93	6.57	18,899
Bloomberg Barclays U.S. Corporate High Yield Bond Index	7.11	8.59	6.80	19,304

High-Yield Corporate Composite Index: Weighted 95% Bloomberg Barclays U.S. High-Yield Ba/B 2% Issuer Capped Index and 5% Bloomberg Barclays U.S. 1-5 Year Treasury Bond Index.

Portfolio Allocation

As of December 31, 2020

Communications	20.4%
Consumer Discretionary	14.0
Consumer Staples	4.5
Energy	8.7
Financials	8.5
Health Care	10.7
Industrials	7.3
Materials	11.5
Real Estate	0.9
Technology	11.8
Utilities	1.5
Other	0.2

The table reflects the portfolio's investments, except for short-term investments and derivatives.

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High Yield Bond Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
Consumer Discretionary (13.3%)									
¹ 1011778 BC ULC / New Red Finance Inc.	4.250%	5/15/24	2,059	2,100	¹ Hanesbrands Inc.	4.625%	5/15/24	730	766
¹ 1011778 BC ULC / New Red Finance Inc.	3.875%	1/15/28	1,185	1,206	¹ Hanesbrands Inc.	5.375%	5/15/25	615	652
¹ 1011778 BC ULC / New Red Finance Inc.	4.375%	1/15/28	1,500	1,547	¹ Hanesbrands Inc.	4.875%	5/15/26	2,974	3,227
¹ 1011778 BC ULC / New Red Finance Inc.	3.500%	2/15/29	1,370	1,370	^{4,5,6} IRB Holding Corp.	1.000%	12/15/27	2,800	2,796
¹ 1011778 BC ULC / New Red Finance Inc.	4.000%	10/15/30	3,325	3,350	¹ Jacobs Entertainment Inc.	7.875%	2/1/24	600	616
¹ Adient Global Holdings Ltd.	4.875%	8/15/26	1,090	1,115	¹ JELD-WEN Inc.	4.625%	12/15/25	345	353
¹ Adient US LLC	7.000%	5/15/26	540	585	¹ JELD-WEN Inc.	4.875%	12/15/27	395	421
¹ American Builders & Contractors Supply Co. Inc.	5.875%	5/15/26	820	852	¹ KAR Auction Services Inc.	5.125%	6/1/25	1,819	1,867
¹ American Builders & Contractors Supply Co. Inc.	4.000%	1/15/28	2,226	2,312	KB Home	7.000%	12/15/21	215	223
Asbury Automotive Group Inc.	4.500%	3/1/28	505	526	KB Home	7.500%	9/15/22	215	235
Asbury Automotive Group Inc.	4.750%	3/1/30	489	521	KB Home	7.625%	5/15/23	1,300	1,433
^{4,5} Bass Pro Group LLC Bank Loan, 3M USD LIBOR + 5.000%	5.750%	1/29/21	1,872	1,875	KB Home	4.800%	11/15/29	370	407
Boyd Gaming Corp.	6.000%	8/15/26	100	104	¹ KFC Holding Co./Pizza Hut Holdings LLC/Taco Bell of America LLC	5.250%	6/1/26	872	905
Boyd Gaming Corp.	4.750%	12/1/27	3,725	3,869	¹ KFC Holding Co./Pizza Hut Holdings LLC/Taco Bell of America LLC	4.750%	6/1/27	1,010	1,066
¹ Caesars Entertainment Inc.	6.250%	7/1/25	1,810	1,928	¹ L Brands Inc.	6.875%	7/1/25	765	830
¹ Caesars Entertainment Inc.	8.125%	7/1/27	1,810	2,002	¹ L Brands Inc.	6.625%	10/1/30	2,130	2,354
¹ Caesars Resort Collection LLC / CRC Finco Inc.	5.750%	7/1/25	610	644	Lennar Corp.	4.125%	1/15/22	685	703
¹ Caesars Resort Collection LLC / CRC Finco Inc.	5.250%	10/15/25	4,754	4,802	Lennar Corp.	4.500%	4/30/24	1,965	2,179
Cedar Fair LP	5.250%	7/15/29	1,645	1,690	Lennar Corp.	5.875%	11/15/24	490	568
Cedar Fair LP / Canada's Wonderland Co. / Magnum Management Corp.	5.375%	6/1/24	535	539	Lennar Corp.	5.250%	6/1/26	270	320
Cedar Fair LP / Canada's Wonderland Co. / Magnum Management Corp. / Millennium Op	5.375%	4/15/27	775	794	Lennar Corp.	5.000%	6/15/27	1,245	1,472
^{1,2} Cirsa Finance International Sarl	6.250%	12/20/23	1,460	1,776	Lennar Corp.	4.750%	11/29/27	1,085	1,282
¹ Cirsa Finance International Sarl	7.875%	12/20/23	1,523	1,538	¹ Lithia Motors Inc.	5.250%	8/1/25	171	178
¹ Clarios Global LP / Clarios US Finance Co.	6.250%	5/15/26	358	384	¹ Lithia Motors Inc.	4.625%	12/15/27	1,945	2,057
¹ Clarios Global LP / Clarios US Finance Co.	8.500%	5/15/27	804	872	¹ Lithia Motors Inc.	4.375%	1/15/31	870	931
^{4,5} Clarios Global LP Bank Loan, 3M USD LIBOR + 3.500%	3.647%	1/29/21	1,052	1,047	Macy's Retail Holdings LLC	2.875%	2/15/23	41	39
Ford Motor Credit Co. LLC	3.336%	3/18/21	907	908	Macy's Retail Holdings LLC	3.625%	6/1/24	254	244
Ford Motor Credit Co. LLC	3.470%	4/5/21	400	400	Macy's Retail Holdings LLC	4.500%	12/15/34	150	115
Ford Motor Credit Co. LLC	5.875%	8/2/21	1,332	1,360	Macy's Retail Holdings LLC	5.125%	1/15/42	132	101
Ford Motor Credit Co. LLC	3.813%	10/12/21	580	587	Macy's Retail Holdings LLC	4.300%	2/15/43	585	422
Ford Motor Credit Co. LLC	3.219%	1/9/22	210	212	Mattel Inc.	6.750%	12/31/25	835	878
Ford Motor Credit Co. LLC	3.339%	3/28/22	200	202	¹ Mattel Inc.	5.875%	12/15/27	1,910	2,120
Ford Motor Credit Co. LLC	2.979%	8/3/22	250	254	MGM Resorts International	6.000%	3/15/23	680	724
Ford Motor Credit Co. LLC	4.250%	9/20/22	420	433	MGM Resorts International	5.750%	6/15/25	985	1,086
Ford Motor Credit Co. LLC	3.350%	11/1/22	200	203	¹ Michaels Stores Inc.	4.750%	10/1/27	1,790	1,839
Ford Motor Credit Co. LLC	3.087%	1/9/23	325	328	¹ PetSmart Inc.	5.875%	6/1/25	1,930	1,978
⁵ Ford Motor Credit Co. LLC, 3M USD LIBOR + 1.080%	1.296%	8/3/22	200	195	PulteGroup Inc.	5.500%	3/1/26	2,015	2,395
⁵ Ford Motor Credit Co. LLC, 3M USD LIBOR + 1.235%	1.456%	2/15/23	255	245	PulteGroup Inc.	5.000%	1/15/27	130	153
¹ Group 1 Automotive Inc.	4.000%	8/15/28	125	128	PVH Corp.	4.625%	7/10/25	1,135	1,274
					¹ Scientific Games International Inc.	7.000%	5/15/28	525	563
					Service Corp. International	8.000%	11/15/21	1,225	1,292
					Service Corp. International	4.625%	12/15/27	505	538
					Service Corp. International	5.125%	6/1/29	2,105	2,331
					Service Corp. International	3.375%	8/15/30	650	673
					¹ Speedway Motorsports LLC / Speedway Funding II Inc.	4.875%	11/1/27	600	596
					¹ Taylor Morrison Communities Inc.	5.875%	6/15/27	750	848
					¹ Taylor Morrison Communities Inc.	5.125%	8/1/30	1,075	1,204
					Toll Brothers Finance Corp.	4.875%	11/15/25	295	332
					Toll Brothers Finance Corp.	4.875%	3/15/27	1,955	2,234
					Toll Brothers Finance Corp.	3.800%	11/1/29	3,661	3,975
					Under Armour Inc.	3.250%	6/15/26	2,310	2,310
					¹ William Carter Co.	5.500%	5/15/25	280	298
					¹ William Carter Co.	5.625%	3/15/27	404	425
					¹ WW International Inc.	8.625%	12/1/25	735	762
					¹ Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp.	5.500%	3/1/25	1,530	1,597
					¹ Yum! Brands Inc.	7.750%	4/1/25	1,150	1,274
					¹ Yum! Brands Inc.	4.750%	1/15/30	910	998
					Yum! Brands Inc.	3.625%	3/15/31	2,295	2,318
									110,580

High Yield Bond Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
Consumer Staples (4.3%)				
B&G Foods Inc.	5.250%	9/15/27	4,020	4,266
^{1,2} Darling Global Finance Co.	3.625%	5/15/26	395	492
¹ Darling Ingredients Inc.	5.250%	4/15/27	795	843
¹ Energizer Holdings Inc.	4.750%	6/15/28	3,420	3,591
¹ Energizer Holdings Inc.	4.375%	3/31/29	580	600
^{4.5} Froneri International Ltd. Bank Loan, 1M USD LIBOR + 2.250%	2.397%	1/29/21	901	891
^{4.5} Froneri International Ltd. Bank Loan, 1M USD LIBOR + 5.750%	5.897%	1/29/21	296	298
Kraft Heinz Foods Co.	4.625%	1/30/29	120	137
¹ Kraft Heinz Foods Co.	3.750%	4/1/30	1,045	1,115
¹ Kraft Heinz Foods Co.	4.250%	3/1/31	1,200	1,336
Kraft Heinz Foods Co.	5.200%	7/15/45	3,010	3,584
¹ Kraft Heinz Foods Co.	4.875%	10/1/49	1,070	1,245
¹ Lamb Weston Holdings Inc.	4.875%	11/1/26	256	266
¹ Lamb Weston Holdings Inc.	4.875%	5/15/28	175	195
¹ Performance Food Group Inc.	6.875%	5/1/25	200	214
¹ Performance Food Group Inc.	5.500%	10/15/27	2,685	2,833
¹ Post Holdings Inc.	5.000%	8/15/26	3,800	3,923
¹ Post Holdings Inc.	5.750%	3/1/27	970	1,028
¹ Post Holdings Inc.	5.625%	1/15/28	2,170	2,314
¹ Post Holdings Inc.	4.625%	4/15/30	3,364	3,532
^{4.5} Revlon Consumer Products Corp. Bank Loan, 1M USD LIBOR + 3.500%	4.250%	2/26/21	756	278
TreeHouse Foods Inc.	4.000%	9/1/28	2,070	2,132
¹ United Natural Foods Inc.	6.750%	10/15/28	445	464
				35,577
Energy (8.3%)				
Apache Corp.	4.875%	11/15/27	1,560	1,657
Apache Corp.	5.100%	9/1/40	1,065	1,118
Apache Corp.	5.250%	2/1/42	471	507
Apache Corp.	4.750%	4/15/43	1,393	1,438
Apache Corp.	4.250%	1/15/44	678	664
Apache Corp.	5.350%	7/1/49	1,372	1,372
¹ Blue Racer Midstream LLC / Blue Racer Finance Corp.	7.625%	12/15/25	435	463
¹ Blue Racer Midstream LLC / Blue Racer Finance Corp.	6.625%	7/15/26	775	779
¹ Buckeye Partners LP	4.125%	3/1/25	1,285	1,304
¹ Buckeye Partners LP	4.500%	3/1/28	1,954	2,010
Cheniere Corpus Christi Holdings LLC	5.125%	6/30/27	1,233	1,455
Cheniere Energy Partners LP	4.500%	10/1/29	1,566	1,652
Continental Resources Inc.	4.375%	1/15/28	1,553	1,586
¹ Continental Resources Inc.	5.750%	1/15/31	1,470	1,632
Continental Resources Inc.	4.900%	6/1/44	2,355	2,320
¹ DCP Midstream Operating LP	4.750%	9/30/21	672	682
DCP Midstream Operating LP	4.950%	4/1/22	1,436	1,475
DCP Midstream Operating LP	3.875%	3/15/23	801	825
EnLink Midstream Partners LP	5.050%	4/1/45	906	718
EQM Midstream Partners LP	4.750%	7/15/23	1,125	1,176
EQM Midstream Partners LP	4.000%	8/1/24	420	430
¹ EQM Midstream Partners LP	6.000%	7/1/25	1,580	1,724
¹ EQM Midstream Partners LP	6.500%	7/1/27	1,710	1,924

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
EQM Midstream Partners LP	5.500%	7/15/28	466	508
EQT Corp.	3.000%	10/1/22	385	389
EQT Corp.	7.875%	2/1/25	145	165
EQT Corp.	3.900%	10/1/27	125	124
EQT Corp.	8.750%	2/1/30	699	856
Matador Resources Co.	5.875%	9/15/26	2,487	2,425
^{4.5} NorthRiver Midstream Finance LP Bank Loan, 3M USD LIBOR + 3.250%	3.475%	1/4/21	728	716
Ovintiv Inc.	7.200%	11/1/31	140	164
Ovintiv Inc.	7.375%	11/1/31	1,344	1,593
Ovintiv Inc.	6.500%	8/15/34	797	917
Ovintiv Inc.	6.500%	2/1/38	715	795
¹ Parsley Energy LLC / Parsley Finance Corp.	5.375%	1/15/25	1,344	1,376
¹ Parsley Energy LLC / Parsley Finance Corp.	5.250%	8/15/25	190	198
¹ Parsley Energy LLC / Parsley Finance Corp.	4.125%	2/15/28	420	445
QEP Resources Inc.	5.375%	10/1/22	1,270	1,314
¹ Rockies Express Pipeline LLC	7.500%	7/15/38	1,134	1,259
¹ Rockies Express Pipeline LLC	6.875%	4/15/40	420	458
SM Energy Co.	6.125%	11/15/22	935	902
SM Energy Co.	5.000%	1/15/24	1,994	1,705
Sunoco LP / Sunoco Finance Corp.	5.500%	2/15/26	1,589	1,629
Sunoco LP / Sunoco Finance Corp.	6.000%	4/15/27	2,265	2,398
Sunoco LP / Sunoco Finance Corp.	5.875%	3/15/28	1,655	1,781
¹ Sunoco LP / Sunoco Finance Corp.	4.500%	5/15/29	770	800
¹ Tallgrass Energy Partners LP / Tallgrass Energy Finance Corp.	5.500%	9/15/24	1,152	1,172
¹ Tallgrass Energy Partners LP / Tallgrass Energy Finance Corp.	5.500%	1/15/28	1,845	1,884
Targa Resources Partners LP / Targa Resources Partners Finance Corp.	4.250%	11/15/23	407	409
Targa Resources Partners LP / Targa Resources Partners Finance Corp.	5.375%	2/1/27	160	168
Targa Resources Partners LP / Targa Resources Partners Finance Corp.	6.875%	1/15/29	1,200	1,344
¹ Targa Resources Partners LP / Targa Resources Partners Finance Corp.	4.875%	2/1/31	1,600	1,736
^{1,7} Transocean Guardian Ltd.	5.875%	1/15/24	1,379	1,165
¹ Transocean Inc.	7.250%	11/1/25	300	150
¹ Transocean Inc.	8.000%	2/1/27	205	96
^{1,7} Transocean Phoenix 2 Ltd.	7.750%	10/15/24	612	597
^{1,7} Transocean Pontus Ltd.	6.125%	8/1/25	1,120	1,053
^{1,7} Transocean Proteus Ltd.	6.250%	12/1/24	717	672
¹ Vine Oil & Gas LP / Vine Oil & Gas Finance Corp.	8.750%	4/15/23	1,915	1,537
Western Midstream Operating LP	3.950%	6/1/25	430	439
Western Midstream Operating LP	4.650%	7/1/26	570	596
Western Midstream Operating LP	4.750%	8/15/28	120	125

High Yield Bond Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)	
Western Midstream Operating LP	5.450%	4/1/44	595	601	¹	Bausch Health Cos. Inc.	5.000%	1/30/28	1,295	1,331
Western Midstream Operating LP	5.300%	3/1/48	1,492	1,473	¹	Bausch Health Cos. Inc.	7.250%	5/30/29	60	67
Western Midstream Operating LP	6.250%	2/1/50	1,804	1,975	¹	Bausch Health Cos. Inc.	5.250%	1/30/30	2,120	2,215
					¹	Catalent Pharma Solutions Inc.	5.000%	7/15/27	630	664
					^{1,2}	Catalent Pharma Solutions Inc.	2.375%	3/1/28	1,310	1,604
					²	Catalent Pharma Solutions Inc.	2.375%	3/1/28	750	918
						Centene Corp.	4.250%	12/15/27	2,080	2,205
						Centene Corp.	4.625%	12/15/29	1,105	1,227
						Centene Corp.	3.375%	2/15/30	2,660	2,796
						Centene Corp.	3.000%	10/15/30	790	835
					¹	Charles River Laboratories International Inc.	5.500%	4/1/26	705	735
					¹	Charles River Laboratories International Inc.	4.250%	5/1/28	1,300	1,367
					¹	CHS/Community Health Systems Inc.	5.625%	3/15/27	1,315	1,419
					¹	CHS/Community Health Systems Inc.	6.000%	1/15/29	770	832
					¹	Emergent BioSolutions Inc.	3.875%	8/15/28	145	149
					¹	Endo Dac / Endo Finance LLC / Endo Finco Inc.	9.500%	7/31/27	1,741	1,937
					¹	Endo Dac / Endo Finance LLC / Endo Finco Inc.	6.000%	6/30/28	2,418	2,007
					^{1,2}	Grifols SA	1.625%	2/15/25	810	990
					^{1,2}	Grifols SA	2.250%	11/15/27	1,325	1,639
						HCA Inc.	5.875%	5/1/23	738	808
						HCA Inc.	7.690%	6/15/25	130	156
						HCA Inc.	5.875%	2/15/26	2,895	3,333
						HCA Inc.	5.625%	9/1/28	390	461
						HCA Inc.	5.875%	2/1/29	450	542
						HCA Inc.	3.500%	9/1/30	8,950	9,431
					¹	Hill-Rom Holdings Inc.	4.375%	9/15/27	310	327
					¹	Hologic Inc.	3.250%	2/15/29	1,665	1,696
					¹	IQVIA Inc.	5.000%	10/15/26	1,450	1,519
					¹	IQVIA Inc.	5.000%	5/15/27	4,093	4,339
					^{1,2}	IQVIA Inc.	2.250%	1/15/28	1,200	1,478
					^{1,2}	IQVIA Inc.	2.875%	6/15/28	1,405	1,770
					¹	Jaguar Holding Co. II/Pharmaceutical Product Development LP	4.625%	6/15/25	395	414
					¹	Jaguar Holding Co. II/Pharmaceutical Product Development LP	5.000%	6/15/28	435	466
					¹	Par Pharmaceutical Inc.	7.500%	4/1/27	767	828
					¹	Teleflex Inc.	4.250%	6/1/28	1,991	2,115
					¹	Tenet Healthcare Corp.	4.625%	7/15/24	279	286
					¹	Tenet Healthcare Corp.	4.625%	9/1/24	315	321
					¹	Tenet Healthcare Corp.	7.500%	4/1/25	305	334
					¹	Tenet Healthcare Corp.	4.875%	1/1/26	270	281
					¹	Tenet Healthcare Corp.	4.625%	6/15/28	870	916
						Teva Pharmaceutical Finance Co. LLC	6.150%	2/1/36	1,485	1,578
						Teva Pharmaceutical Finance Netherlands III BV	3.150%	10/1/26	2,890	2,778
						Teva Pharmaceutical Finance Netherlands III BV	6.750%	3/1/28	3,385	3,817
						Teva Pharmaceutical Finance Netherlands III BV	4.100%	10/1/46	555	494
					¹	West Street Merger Sub Inc.	6.375%	9/1/25	820	838
										84,671
					</					

High Yield Bond Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
Industrials (6.9%)									
¹ Aramark Services Inc.	5.000%	4/1/25	1,935	1,983	² Ball Corp.	4.875%	3/15/26	1,100	1,240
Aramark Services Inc.	4.750%	6/1/26	646	665	¹ Ball Corp.	1.500%	3/15/27	2,105	2,641
Aramark Services Inc.	5.000%	2/1/28	980	1,033	¹ Berry Global Inc.	4.500%	2/15/26	1,655	1,692
¹ Ashtead Capital Inc.	4.125%	8/15/25	1,325	1,361	¹ Berry Global Inc.	4.875%	7/15/26	2,120	2,274
¹ Ashtead Capital Inc.	4.375%	8/15/27	1,545	1,634	¹ Berry Global Inc.	5.625%	7/15/27	215	231
¹ Bombardier Inc.	8.750%	12/1/21	290	300	¹ Cemex SAB de CV	7.750%	4/16/26	735	775
¹ Bombardier Inc.	5.750%	3/15/22	425	434	Cemex SAB de CV	7.375%	6/5/27	565	642
¹ Bombardier Inc.	6.125%	1/15/23	1,648	1,615	Cemex SAB de CV	5.450%	11/19/29	590	648
¹ Bombardier Inc.	7.500%	12/1/24	230	219	^{1,2} CeramTec BondCo GmbH	5.250%	12/15/25	425	530
¹ Bombardier Inc.	7.500%	3/15/25	702	655	CF Industries Inc.	4.950%	6/1/43	311	381
¹ Bombardier Inc.	7.875%	4/15/27	1,135	1,041	CF Industries Inc.	5.375%	3/15/44	596	749
¹ Brand Industrial Services Inc.	8.500%	7/15/25	3,262	3,311	Chemours Co.	7.000%	5/15/25	3,115	3,228
¹ BVX Technologies Inc.	4.125%	6/30/28	1,008	1,050	Chemours Co.	5.375%	5/15/27	930	986
Clean Harbors Inc.	4.875%	7/15/27	1,238	1,303	Commercial Metals Co.	5.750%	4/15/26	1,414	1,464
¹ Clean Harbors Inc.	5.125%	7/15/29	768	840	Commercial Metals Co.	5.375%	7/15/27	595	627
¹ Core & Main LP	6.125%	8/15/25	160	164	¹ Constellium SE	6.625%	3/1/25	2,185	2,234
^{4,5} Core & Main LP Bank Loan, 3M USD LIBOR + 2.750%	3.750%	3/1/21	262	260	¹ Constellium SE	5.875%	2/15/26	1,025	1,051
¹ Herc Holdings Inc.	5.500%	7/15/27	5,966	6,339	¹ Constellium SE	5.625%	6/15/28	500	538
^{1,2} Loxam SAS	4.250%	4/15/24	190	236	Crown Americas LLC / Crown Americas Capital Corp. IV	4.500%	1/15/23	300	317
² Loxam SAS	2.875%	4/15/26	655	787	Crown Americas LLC / Crown Americas Capital Corp. V	4.250%	9/30/26	169	185
² Loxam SAS	3.750%	7/15/26	750	930	Crown Americas LLC / Crown Americas Capital Corp. VI	4.750%	2/1/26	2,715	2,817
^{1,2} Q-Park Holding I BV	1.500%	3/1/25	805	947	^{1,2} Crown European Holdings SA	2.875%	2/1/26	1,555	2,035
^{1,2} Q-Park Holding I BV	2.000%	3/1/27	1,025	1,205	^{1,2} Diamond BC BV	5.625%	8/15/25	3,035	3,740
¹ Sensata Technologies BV	4.875%	10/15/23	300	323	¹ Flex Acquisition Co. Inc.	6.875%	1/15/25	4,000	4,055
¹ Sensata Technologies BV	5.625%	11/1/24	575	642	¹ Flex Acquisition Co. Inc.	7.875%	7/15/26	215	226
¹ Sensata Technologies BV	5.000%	10/1/25	1,625	1,800	Graphic Packaging International LLC	4.125%	8/15/24	1,045	1,116
¹ Sensata Technologies Inc.	4.375%	2/15/30	500	539	¹ Graphic Packaging International LLC	4.750%	7/15/27	205	226
¹ Sensata Technologies Inc.	3.750%	2/15/31	1,977	2,041	¹ Graphic Packaging International LLC	3.500%	3/15/28	2,765	2,855
¹ Signature Aviation US Holdings Inc.	4.000%	3/1/28	2,256	2,262	¹ Graphic Packaging International LLC	3.500%	3/1/29	505	516
¹ Spirit AeroSystems Inc.	5.500%	1/15/25	344	362	¹ Novelis Corp.	5.875%	9/30/26	2,206	2,305
¹ Stericycle Inc.	3.875%	1/15/29	255	262	¹ Novelis Corp.	4.750%	1/30/30	1,889	2,019
¹ Terex Corp.	5.625%	2/1/25	246	253	¹ OCI NV	5.250%	11/1/24	3,623	3,763
TransDigm Inc.	6.500%	7/15/24	3,090	3,140	¹ OCI NV	4.625%	10/15/25	655	681
TransDigm Inc.	6.500%	5/15/25	2,565	2,639	¹ OI European Group BV	4.000%	3/15/23	675	689
United Rentals North America Inc.	5.875%	9/15/26	1,955	2,063	Olin Corp.	5.125%	9/15/27	1,775	1,850
United Rentals North America Inc.	5.500%	5/15/27	2,125	2,276	Olin Corp.	5.625%	8/1/29	1,665	1,804
United Rentals North America Inc.	3.875%	11/15/27	880	922	Olin Corp.	5.000%	2/1/30	1,097	1,168
United Rentals North America Inc.	4.875%	1/15/28	1,620	1,725	¹ Owens-Brockway Glass Container Inc.	5.875%	8/15/23	2,140	2,292
United Rentals North America Inc.	5.250%	1/15/30	740	821	¹ Owens-Brockway Glass Container Inc.	5.375%	1/15/25	640	688
United Rentals North America Inc.	4.000%	7/15/30	3,430	3,619	¹ Owens-Brockway Glass Container Inc.	6.375%	8/15/25	1,245	1,379
United Rentals North America Inc.	3.875%	2/15/31	1,406	1,476	¹ Owens-Brockway Glass Container Inc.	6.625%	5/13/27	1,180	1,277
^{1,2} Vertical Holdco GmbH	6.625%	7/15/28	200	262	¹ Reynolds Group Issuer Inc. / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu	5.125%	7/15/23	84	85
^{1,2} Vertical Midco GmbH	4.375%	7/15/27	275	354	¹ Sealed Air Corp.	4.000%	12/1/27	624	665
¹ Vertical U.S. Newco Inc.	5.250%	7/15/27	1,160	1,222	^{1,2} SIG Combibloc PurchaseCo Sarl	1.875%	6/18/23	600	757
57,315					^{1,2} SIG Combibloc PurchaseCo Sarl	2.125%	6/18/25	545	699
Materials (10.9%)					Silgan Holdings Inc.	4.750%	3/15/25	84	85
¹ ARD Finance SA	6.500%	6/30/27	955	1,012	Silgan Holdings Inc.	4.125%	2/1/28	2,545	2,640
¹ Ardagh Packaging Finance plc / Ardagh Holdings USA Inc.	4.125%	8/15/26	1,490	1,557	² Silgan Holdings Inc.	2.250%	6/1/28	1,320	1,636
^{1,3} Ardagh Packaging Finance plc / Ardagh Holdings USA Inc.	4.750%	7/15/27	160	227	¹ Standard Industries Inc.	5.000%	2/15/27	700	733
¹ Ardagh Packaging Finance plc / Ardagh Holdings USA Inc.	5.250%	8/15/27	700	730	¹ Standard Industries Inc.	4.750%	1/15/28	1,025	1,081
¹ Ardagh Packaging Finance plc / Ardagh Holdings USA Inc.	5.250%	8/15/27	3,655	3,829	¹ Standard Industries Inc.	4.375%	7/15/30	3,600	3,852

High Yield Bond Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
¹ Standard Industries Inc.	3.375%	1/15/31	3,730	3,767
^{4,5} Starfruit Finco B.V. Bank Loan, 1M USD LIBOR + 3.000%	3.153%	1/19/21	632	624
² Trivium Packaging Finance BV	3.750%	8/15/26	1,000	1,247
^{1,2} Trivium Packaging Finance BV	3.750%	8/15/26	180	224
¹ Trivium Packaging Finance BV	5.500%	8/15/26	745	787
¹ Tronox Finance plc	5.750%	10/1/25	675	700
¹ Tronox Inc.	6.500%	4/15/26	2,956	3,063
^{1,6} Valvoline Inc.	3.625%	6/15/31	880	904
				90,838
Real Estate (0.9%)				
GLP Capital LP / GLP Financing II Inc.	5.375%	11/1/23	1,005	1,098
¹ Iron Mountain Inc.	4.875%	9/15/27	595	622
¹ Iron Mountain Inc.	4.875%	9/15/29	2,177	2,291
MGM Growth Properties Operating Partnership LP / MGP Finance Co-Issuer Inc.	5.625%	5/1/24	150	162
¹ VICI Properties LP / VICI Note Co. Inc.	4.250%	12/1/26	1,635	1,696
¹ VICI Properties LP / VICI Note Co. Inc.	3.750%	2/15/27	458	468
¹ VICI Properties LP / VICI Note Co. Inc.	4.625%	12/1/29	820	878
				7,215
Technology (11.2%)				
¹ Black Knight InfoServ LLC	3.625%	9/1/28	1,847	1,884
¹ BY Crown Parent LLC / BY Bond Finance Inc.	4.250%	1/31/26	1,185	1,215
¹ Cardtronics Inc. / Cardtronics USA Inc.	5.500%	5/1/25	450	466
CDK Global Inc.	5.875%	6/15/26	915	956
CDK Global Inc.	4.875%	6/1/27	785	828
¹ CDK Global Inc.	5.250%	5/15/29	2,220	2,445
CDW LLC / CDW Finance Corp.	5.500%	12/1/24	112	124
CDW LLC / CDW Finance Corp.	4.125%	5/1/25	1,340	1,399
CDW LLC / CDW Finance Corp.	4.250%	4/1/28	3,590	3,787
CDW LLC / CDW Finance Corp.	3.250%	2/15/29	2,792	2,834
¹ Change Healthcare Holdings LLC / Change Healthcare Finance Inc.	5.750%	3/1/25	3,170	3,226
¹ Dun & Bradstreet Corp.	6.875%	8/15/26	453	487
^{4,5} Dun & Bradstreet Corp. Bank Loan, 1M USD LIBOR + 3.750%	3.898%	1/27/21	3,335	3,332
¹ Entegris Inc.	4.625%	2/10/26	150	155
¹ Entegris Inc.	4.375%	4/15/28	1,905	2,029
¹ Gartner Inc.	3.750%	10/1/30	1,310	1,380
¹ Microchip Technology Inc.	4.250%	9/1/25	4,025	4,256
¹ MSCI Inc.	4.750%	8/1/26	210	219
¹ MSCI Inc.	5.375%	5/15/27	690	737
¹ MSCI Inc.	4.000%	11/15/29	2,670	2,844
¹ MSCI Inc.	3.625%	9/1/30	445	465
¹ MSCI Inc.	3.875%	2/15/31	1,190	1,254
Nokia of America Corp.	6.500%	1/15/28	1,355	1,477
Nokia of America Corp.	6.450%	3/15/29	2,612	2,847
Nokia Oyj	4.375%	6/12/27	2,425	2,655
Nokia Oyj	6.625%	5/15/39	3,855	4,934
NortonLifeLock Inc.	3.950%	6/15/22	345	353
¹ NortonLifeLock Inc.	5.000%	4/15/25	4,250	4,324
¹ Open Text Corp.	5.875%	6/1/26	2,180	2,267
¹ Open Text Corp.	3.875%	2/15/28	3,303	3,386

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
¹ Open Text Holdings Inc	4.125%	2/15/30	3,080	3,280
¹ Presidio Holdings Inc.	4.875%	2/1/27	1,941	2,048
¹ Presidio Holdings Inc.	8.250%	2/1/28	1,130	1,247
¹ PTC Inc.	3.625%	2/15/25	335	345
¹ PTC Inc.	4.000%	2/15/28	1,705	1,784
¹ Qorvo Inc.	4.375%	10/15/29	3,160	3,476
¹ Qorvo Inc.	3.375%	4/1/31	1,770	1,823
¹ Sensata Technologies UK Financing Co. plc	6.250%	2/15/26	1,520	1,575
^{4,5} SS&C Technologies Holdings Europe S.A.R.L. Bank Loan, 1M USD LIBOR + 1.750%	1.897%	1/29/21	516	509
¹ SS&C Technologies Inc.	5.500%	9/30/27	4,075	4,355
^{4,5} SS&C Technologies Inc. Bank Loan, 1M USD LIBOR + 1.750%	1.897%	1/29/21	666	658
^{4,5} SS&C Technologies Inc. Bank Loan, 1M USD LIBOR + 1.750%	1.897%	1/29/21	669	662
Western Digital Corp.	4.750%	2/15/26	3,879	4,301
Xerox Corp.	4.375%	3/15/23	698	734
Xerox Corp.	4.800%	3/1/35	542	546
Xerox Corp.	6.750%	12/15/39	1,995	2,135
¹ Xerox Holdings Corp.	5.000%	8/15/25	155	164
¹ Xerox Holdings Corp.	5.500%	8/15/28	4,435	4,701
				92,908

Utilities (1.4%)

AmeriGas Partners LP / AmeriGas Finance Corp.	5.625%	5/20/24	1,395	1,521
AmeriGas Partners LP / AmeriGas Finance Corp.	5.500%	5/20/25	620	685
AmeriGas Partners LP / AmeriGas Finance Corp.	5.875%	8/20/26	1,765	1,994
AmeriGas Partners LP / AmeriGas Finance Corp.	5.750%	5/20/27	1,745	1,985
¹ Clearway Energy Operating LLC	4.750%	3/15/28	571	612
¹ NextEra Energy Operating Partners LP	4.250%	7/15/24	683	727
¹ NextEra Energy Operating Partners LP	4.250%	9/15/24	103	111
¹ NextEra Energy Operating Partners LP	3.875%	10/15/26	3,035	3,251
¹ NextEra Energy Operating Partners LP	4.500%	9/15/27	700	781
				11,667

Total Corporate Bonds (Cost \$743,033)

787,808

Shares

Common Stocks (0.1%)

Energy (0.1%)

* Whiting Petroleum Corp.	51,071	1,277
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Other (0.0%)

*.8 Homer City Holdings LLC	62,633	—
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Total Common Stocks (Cost \$4,596)

1,277

High Yield Bond Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
Temporary Cash Investments (3.9%)				
Repurchase Agreement (3.9%)				
Bank of America Securities LLC (Dated 12/31/20, Repurchase Value \$32,400,000, collateralized by Government National Mortgage Association, 2.515%–3.087%, 6/20/69–10/20/70, with a value of \$33,048,000) (Cost \$32,400)	0.080%	1/4/21	32,400	32,400
Total Investments (98.8%) (Cost \$780,029)				821,485
Other Assets and Liabilities—Net (1.2%)				9,722
Net Assets (100%)				831,207

Cost is in \$000.

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

1 Security exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2020, the aggregate value was \$441,119,000, representing 53.1% of net assets.

2 Face amount denominated in euro.

3 Face amount denominated in British pounds.

4 Security is a senior, secured, high-yield floating-rate loan. These loans are debt obligations issued by public and private companies and are comparable to high-yield bonds from a ratings and leverage perspective. At December 31, 2020 the aggregate value of these securities was \$16,953,000, representing 2.0% of net assets.

5 Variable rate security; rate shown is effective rate at period end. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent based on current market conditions.

6 Includes securities purchased on a when-issued or delayed-delivery basis for which the portfolio has not taken delivery as of December 31, 2020.

7 The average or expected maturity is shorter than the final maturity shown because of the possibility of interim principal payments and prepayments or the possibility of the issue being called.

8 Security value determined using significant unobservable inputs.

1M—1-month.

3M—3-month.

LIBOR—London Interbank Offered Rate.

Derivative Financial Instruments Outstanding as of Period End

Forward Currency Contracts

Counterparty	Contract Settlement Date	Contract Amount (000)				Unrealized Appreciation (\$000)	Unrealized Depreciation (\$000)
			Receive		Deliver		
Toronto-Dominion Bank	1/29/21	USD	36,982	EUR	30,434	—	(224)
Barclays Bank plc	1/29/21	USD	1,043	EUR	855	—	(2)
Barclays Bank plc	1/29/21	USD	1,533	GBP	1,133	—	(16)
						—	(242)

EUR—euro.

GBP—British pound.

USD—U.S. dollar.

Statement of Assets and Liabilities

As of December 31, 2020

(\$000s, except shares and per-share amounts)	Amount
Assets	
Investments in Securities, at Value—Unaffiliated Issuers (Cost \$780,029)	821,485
Investment in Vanguard	32
Cash	1,447
Cash Collateral Pledged—Forward Currency Contracts	1,200
Foreign Currency, at Value (Cost \$2)	2
Receivables for Investment Securities Sold	702
Receivables for Accrued Income	10,801
Receivables for Capital Shares Issued	210
Total Assets	835,879
Liabilities	
Payables for Investment Securities Purchased	3,730
Payables to Investment Advisor	126
Payables for Capital Shares Redeemed	484
Payables to Vanguard	90
Unrealized Depreciation—Forward Currency Contracts	242
Total Liabilities	4,672
Net Assets	831,207

At December 31, 2020, net assets consisted of:

Paid-in Capital	778,311
Total Distributable Earnings (Loss)	52,896
Net Assets	831,207
Net Assets	
Applicable to 102,407,736 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	831,207
Net Asset Value Per Share	\$8.12

Statement of Operations

	Year Ended December 31, 2020
	(\$000)
Investment Income	
Income	
Interest	37,519
Total Income	37,519
Expenses	
Investment Advisory Fees—Note B	466
The Vanguard Group—Note C	
Management and Administrative	1,408
Marketing and Distribution	79
Custodian Fees	20
Auditing Fees	31
Shareholders' Reports	15
Trustees' Fees and Expenses	1
Total Expenses	2,020
Net Investment Income	35,499
Realized Net Gain (Loss)	
Investment Securities Sold	(8,053)
Swap Contracts	(3,313)
Forward Currency Contracts	(2,735)
Foreign Currencies	51
Realized Net Gain (Loss)	(14,050)
Change in Unrealized Appreciation (Depreciation)	
Investment Securities	22,034
Swap Contracts	(211)
Forward Currency Contracts	(115)
Foreign Currencies	7
Change in Unrealized Appreciation (Depreciation)	21,715
Net Increase (Decrease) in Net Assets Resulting from Operations	43,164

Statement of Changes in Net Assets

	Year Ended December 31,	
	2020 (\$000)	2019 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	35,499	38,680
Realized Net Gain (Loss)	(14,050)	(474)
Change in Unrealized Appreciation (Depreciation)	21,715	69,137
Net Increase (Decrease) in Net Assets Resulting from Operations	43,164	107,343
Distributions¹		
Total Distributions	(39,449)	(42,939)
Capital Share Transactions		
Issued	259,625	152,281
Issued in Lieu of Cash Distributions	39,449	42,939
Redeemed	(254,487)	(180,636)
Net Increase (Decrease) from Capital Share Transactions	44,587	14,584
Total Increase (Decrease)	48,302	78,988
Net Assets		
Beginning of Period	782,905	703,917
End of Period	831,207	782,905

¹ Certain prior-period numbers have been reclassified to conform with the current-period presentation.

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended December 31,				
	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$8.19	\$7.53	\$8.13	\$7.99	\$7.59
Investment Operations					
Net Investment Income	.353 ¹	.410 ¹	.420 ¹	.419 ¹	.397
Net Realized and Unrealized Gain (Loss) on Investments	.021	.731	(.636)	.119	.426
Total from Investment Operations	.374	1.141	(.216)	.538	.823
Distributions					
Dividends from Net Investment Income	(.444)	(.481)	(.384)	(.398)	(.423)
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.444)	(.481)	(.384)	(.398)	(.423)
Net Asset Value, End of Period	\$8.12	\$8.19	\$7.53	\$8.13	\$7.99
Total Return	5.67%	15.67%	-2.73%	7.00%	11.35%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$831	\$783	\$704	\$752	\$622
Ratio of Total Expenses to Average Net Assets	0.26%	0.26%	0.26%	0.28%	0.28%
Ratio of Net Investment Income to Average Net Assets	4.57%	5.21%	5.39%	5.22%	5.44%
Portfolio Turnover Rate	41%	27%	23%	28%	27%

¹ Calculated based on average shares outstanding.

Notes to Financial Statements

The High Yield Bond Portfolio, a portfolio of Vanguard Variable Insurance Funds, is registered under the Investment Company Act of 1940 as an open-end investment company. The portfolio's shares are only available for purchase by separate accounts of insurance companies as investments for variable annuity plans, variable life insurance contracts, or other variable benefit insurance contracts. Certain of the portfolio's investments are in corporate debt instruments; the issuers' abilities to meet their obligations may be affected by economic developments in their respective industries. Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the portfolio and thus portfolio performance.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The portfolio consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Bonds and temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been materially affected by events occurring before the portfolio's pricing time but after the close of the securities' primary markets, are valued by methods deemed by the board of trustees to represent fair value.

2. **Foreign Currency:** Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates obtained from an independent third party as of the portfolio's pricing time on the valuation date. Realized gains (losses) and unrealized appreciation (depreciation) on investment securities include the effects of changes in exchange rates since the securities were purchased, combined with the effects of changes in security prices. Fluctuations in the value of other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains (losses) until the assets or liabilities are settled in cash, at which time they are recorded as realized foreign currency gains (losses).

3. **Forward Currency Contracts:** The portfolio enters into forward currency contracts to protect the value of securities and related receivables and payables against changes in future foreign exchange rates. The portfolio's risks in using these contracts include movement in the values of the foreign currencies relative to the U.S. dollar and the ability of the counterparties to fulfill their obligations under the contracts. The portfolio mitigates its counterparty risk by entering into forward currency contracts only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the portfolio cannot be repledged, resold, or rehypothecated. The master netting arrangements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate the forward currency contracts, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the portfolio under the master netting arrangements. The forward currency contracts contain provisions whereby a counterparty may terminate open contracts if the portfolio's net assets decline below a certain level, triggering a payment by the portfolio if the portfolio is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the portfolio has pledged. Any securities pledged as collateral for open contracts are noted in the Schedule of Investments. The value of collateral received or pledged is compared daily to the value of the forward currency contracts exposure with each counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

Forward currency contracts are valued at their quoted daily prices obtained from an independent third party, adjusted for currency risk based on the expiration date of each contract. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on forward currency contracts.

During the year ended December 31, 2020, the portfolio's average investment in forward currency contracts represented 4% of net assets, based on the average of the notional amounts at each quarter-end during the period.

4. Swap Contracts: The portfolio invests in credit default swaps to adjust the overall credit risk of the portfolio or to actively overweight or underweight credit risk to a specific issuer or group of issuers. The portfolio may sell credit protection through credit default swaps to simulate investments in long positions that are either unavailable or considered to be less attractively priced in the bond market. The portfolio may purchase credit protection through credit default swaps to reduce credit exposure to a given issuer or issuers. Under the terms of the swaps, an up-front payment may be exchanged between the seller and buyer. In addition, the seller of the credit protection receives a periodic payment of premium from the buyer that is a fixed percentage applied to a notional amount. If, for example, the reference entity is subject to a credit event (such as bankruptcy, failure to pay, or obligation acceleration) during the term of the swap, the seller agrees to either physically settle or cash settle the swap contract. If the swap is physically settled, the seller agrees to pay the buyer an amount equal to the notional amount and take delivery of a debt instrument of the reference issuer with a par amount equal to such notional amount. If the swap is cash settled, the seller agrees to pay the buyer the difference between the notional amount and the final price for the relevant debt instrument, as determined either in a market auction or pursuant to a pre-agreed-upon valuation procedure.

The notional amounts of swap contracts are not recorded in the Statement of Assets and Liabilities. Swaps are valued daily based on market quotations received from independent pricing services or recognized dealers and the change in value is recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the seller of credit protection is required to take delivery (or, in a cash settled swap, pay the settlement amount determined) upon occurrence of a credit event, periodic payments are made, or the swap terminates, at which time realized gain (loss) is recorded. The net premium to be received or paid by the portfolio under swap contracts is accrued daily and recorded as realized gain (loss) over the life of the contract.

The primary risk associated with selling credit protection is that, upon the occurrence of a defined credit event, the market value of the debt instrument received by the portfolio (or, in a cash settled swap, the debt instruments used to determine the settlement payment by the portfolio) will be significantly less than the amount paid by the portfolio and, in a physically settled swap, the portfolio may receive an illiquid debt instrument. A risk associated with all types of swaps is the possibility that a counterparty may default on its obligation to pay net amounts due to the portfolio. The portfolio's maximum amount subject to counterparty risk is the unrealized appreciation on the swap contract. The portfolio mitigates its counterparty risk by entering into swaps only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the portfolio cannot be repledged, resold, or rehypothecated. In the event of a counterparty's default (including bankruptcy), the portfolio may terminate any swap contracts with that counterparty, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the portfolio under the master netting arrangements. The swap contracts contain provisions whereby a counterparty may terminate open contracts if the portfolio net assets decline below a certain level, triggering a payment by the portfolio if the portfolio is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the portfolio has pledged. Any securities pledged as collateral for open contracts are noted in the Schedule of Investments. The value of collateral received or pledged is compared daily to the value of the swap contracts exposure with each counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

The portfolio enters into centrally cleared credit default swaps to achieve the same objectives specified with respect to the equivalent over-the-counter swaps but with less counterparty risk because a regulated clearinghouse is the counterparty instead of the clearing broker or executing broker. The clearinghouse imposes initial margin requirements to secure the portfolio's performance, and requires daily settlement of variation margin representing changes in the market value of each contract. To further mitigate counterparty risk, the portfolio trades with a diverse group of prequalified executing brokers; monitors the financial strength of its clearing brokers, executing brokers, and clearinghouse; and has entered into agreements with its clearing brokers and executing brokers.

During the year ended December 31, 2020, the portfolio's average amounts of investments in credit protection sold and credit protection purchased represented less than 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period. The portfolio has no open swap contracts at December 31, 2020.

5. Repurchase Agreements: The portfolio enters into repurchase agreements with institutional counterparties. Securities pledged as collateral to the portfolio under repurchase agreements are held by a custodian bank until the agreements mature, and in the absence of a default, such collateral cannot be repledged, resold, or rehypothecated. Each agreement requires that the market value of the collateral be sufficient to cover payments of interest and principal. The portfolio further mitigates its counterparty risk by entering into repurchase agreements only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master repurchase agreements with its counterparties. The master repurchase agreements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate any repurchase agreements with that counterparty, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the portfolio. Such action may be subject to legal proceedings, which may delay or limit the disposition of collateral.

6. Federal Income Taxes: The portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income. The portfolio's tax returns are open to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return. Management has analyzed the portfolio's tax positions taken for all open federal and state income tax years, and has concluded that no provision for income tax is required in the portfolio's financial statements.

7. Distributions: Distributions to shareholders are recorded on the ex-dividend date. Distributions are determined on a tax basis at the fiscal year-end and may differ from net investment income and realized capital gains for financial reporting purposes.

8. Credit Facilities and Interfund Lending Program: The portfolio and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$4.3 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement and an uncommitted credit facility provided by Vanguard. Both facilities may be renewed annually. Each fund is individually liable for its borrowings, if any, under the credit facilities. Borrowings may be utilized for temporary or emergency purposes, subject to the portfolio's regulatory and contractual borrowing restrictions. With respect to the committed credit facility, the participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn committed amount of the facility; these fees are allocated to the funds based on a method approved by the portfolio's board of trustees and included in Management and Administrative expenses on the portfolio's Statement of Operations. Any borrowings under either facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate (or an acceptable alternate rate, if necessary), federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread, except that borrowings under the uncommitted credit facility may bear interest based upon an alternate rate agreed to by the portfolio and Vanguard.

In accordance with an exemptive order (the "Order") from the SEC, the portfolio may participate in a joint lending and borrowing program that allows registered open-end Vanguard funds to borrow money from and lend money to each other for temporary or emergency purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the portfolio's investment objective and investment policies. Interfund loans and borrowings normally extend overnight, but can have a maximum duration of seven days. Loans may be called on one business day's notice. The interest rate to be charged is governed by the conditions of the Order and internal procedures adopted by the board of trustees. The board of trustees is responsible for overseeing the Interfund Lending Program.

For the year ended December 31, 2020, the portfolio did not utilize the credit facilities or the Interfund Lending Program.

9. Other: Interest income is accrued daily. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for premiums on certain callable debt securities that are amortized to the earliest call date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. Wellington Management Company LLP provides investment advisory services to the portfolio for a fee calculated at an annual percentage rate of average net assets. For the year ended December 31, 2020, the investment advisory fee represented an effective annual basic rate of 0.06% of the portfolio's average net assets.

C. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the portfolio, Vanguard furnishes to the portfolio corporate management, administrative, marketing,

and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the portfolio based on methods and guidelines approved by the board of trustees and are generally settled twice a month.

Upon the request of Vanguard, the portfolio may invest up to 0.40% of its net assets as capital in Vanguard. At December 31, 2020, the portfolio had contributed to Vanguard capital in the amount of \$32,000, representing less than 0.01% of the portfolio's net assets and 0.01% of Vanguard's capital received pursuant to the FSA. The portfolio's trustees and officers are also directors and employees, respectively, of Vanguard.

D. Various inputs may be used to determine the value of the portfolio's investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

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

Level 3—Significant unobservable inputs (including the portfolio's own assumptions used to determine the fair value of investments). Any investments and derivatives valued with significant unobservable inputs are noted on the Schedule of Investments.

The following table summarizes the market value of the portfolio's investments and derivatives as of December 31, 2020, based on the inputs used to value them:

	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
Investments				
Assets				
Corporate Bonds	—	787,808	—	787,808
Common Stocks	1,277	—	—	1,277
Temporary Cash Investments	—	32,400	—	32,400
Total	1,277	820,208	—	821,485
Derivative Financial Instruments				
Liabilities				
Forward Currency Contracts	—	242	—	242

E. At December 31, 2020, the fair values of derivatives were reflected in the Statement of Assets and Liabilities as follows:

Statement of Assets and Liabilities Caption	Foreign Exchange Contracts (\$000)
Liabilities	
Unrealized Depreciation— Forward Currency Contracts	242

Realized net gain (loss) and the change in unrealized appreciation (depreciation) on derivatives for the year ended December 31, 2020, were:

	Foreign Exchange Contracts (\$000)	Credit Contracts (\$000)	Total (\$000)
Realized Net Gain (Loss) on Derivatives			
Swap Contracts	—	(3,313)	(3,313)
Forward Currency Contracts	(2,735)	—	(2,735)
Realized Net Gain (Loss) on Derivatives	(2,735)	(3,313)	(6,048)
Change in Unrealized Appreciation (Depreciation) on Derivatives			
Swap Contracts	—	(211)	(211)
Forward Currency Contracts	(115)	—	(115)
Change in Unrealized Appreciation (Depreciation) on Derivatives	(115)	(211)	(326)

F. Permanent differences between book-basis and tax-basis components of net assets are reclassified among capital accounts in the financial statements to reflect their tax character. These

reclassifications have no effect on net assets or net asset value per share. As of period end, permanent differences primarily attributable to the accounting for foreign currency transactions and swap agreements were reclassified between the individual components of total distributable earnings (loss).

Temporary differences between book-basis and tax-basis components of total distributable earnings (loss) arise when certain items of income, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. The differences are primarily related to the deferral of losses from wash sales; the recognition of unrealized gains or losses from certain derivative contracts; the recognition of gain or loss foreign currency hedges; and the treatment of amortization adjustments from certain fixed income securities. As of period end, the tax-basis components of total distributable earnings (loss) are detailed in the table as follows:

	Amount (\$000)
Undistributed Ordinary Income	33,269
Undistributed Long-Term Gains	—
Capital Loss Carryforwards	(19,119)
Qualified Late-Year Losses	—
Net Unrealized Gains (Losses)	38,746

The tax character of distributions paid was as follows:

	Year Ended December 31,	
	2020 Amount (\$000)	2019 Amount (\$000)
Ordinary Income*	39,449	42,939
Long-Term Capital Gains	—	—
Total	39,449	42,939

* Includes short-term capital gains, if any.

As of December 31, 2020, gross unrealized appreciation and depreciation for investments and derivatives based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	783,233
Gross Unrealized Appreciation	43,973
Gross Unrealized Depreciation	(5,721)
Net Unrealized Appreciation (Depreciation)	38,252

G. During the year ended December 31, 2020, the portfolio purchased \$346,462,000 of investment securities and sold \$294,270,000 of investment securities, other than temporary cash investments.

H. Capital shares issued and redeemed were:

	Year Ended December 31,	
	2020 Shares (000)	2019 Shares (000)
Issued	34,269	19,313
Issued in Lieu of Cash Distributions	5,853	5,672
Redeemed	(33,293)	(22,931)
Net Increase (Decrease) in Shares Outstanding	6,829	2,054

At December 31, 2020, one shareholder (an insurance company separate account whose holdings in the portfolio represent the indirect investment of Vanguard Variable Annuity contract holders) was the record or beneficial owner of 42% of the portfolio's net assets. If this shareholder was to redeem its investment in the portfolio, the redemption might result in an increase in the portfolio's expense ratio, cause the portfolio to incur higher transaction costs, or lead to the realization of taxable capital gains.

I. Management has determined that no events or transactions occurred subsequent to December 31, 2020, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Variable Insurance Funds and Shareholders of High Yield Bond Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of High Yield Bond Portfolio (one of the portfolios constituting Vanguard Variable Insurance Funds, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian 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
Philadelphia, Pennsylvania
February 18, 2021

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Special 2020 tax information (unaudited) for corporate shareholders only for High Yield Bond Portfolio, a portfolio of Vanguard Variable Insurance Funds

This information for the fiscal year ended December 31, 2020, is included pursuant to provisions of the Internal Revenue Code for corporate shareholders only.

The percentage of the ordinary dividends reported by the fund that is treated as a Section 163(j) interest dividend and thus is eligible to be treated as interest income for purposes of Section 163(j) and the regulations thereunder is 88.8%.

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Additionally, Vanguard may for itself execute transaction(s) with Barclays in or relating to the Indices in connection with the Municipal Bond Funds. Investors acquire the High Yield Bond Portfolio from Vanguard and investors neither acquire any interest in the Indices nor enter into any relationship of any kind whatsoever with Bloomberg or Barclays upon making an investment in the High Yield Bond Portfolio. The High Yield Bond Portfolio is not sponsored, endorsed, sold or promoted by Bloomberg or Barclays. Neither Bloomberg nor Barclays makes any representation or warranty, express or implied regarding the advisability of investing in the High Yield Bond Portfolio or the advisability of investing in securities generally or the ability of the Indices to track corresponding or relative market performance. Neither Bloomberg nor Barclays has passed on the legality or suitability of the High Yield Bond Portfolio with respect to any person or entity. Neither Bloomberg nor Barclays is responsible for and has not participated in the determination of the timing of, prices at, or quantities of the High Yield Bond Portfolio to be issued. Neither Bloomberg nor Barclays has any obligation to take the needs of the Issuer or the owners of the High Yield Bond Portfolio or any other third party into consideration in determining, composing or calculating the Indices. Neither Bloomberg nor Barclays has any obligation or liability in connection with administration, marketing or trading of the High Yield Bond Portfolio.

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The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 211 Vanguard funds.

Information for each trustee and executive officer of the fund appears below. That information, as well as the Vanguard fund count, is as of the date on the cover of this fund report. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at vanguard.com.

Interested Trustee¹

Mortimer J. Buckley

Born in 1969. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: chairman of the board (2019–present) of Vanguard and of each of the investment companies served by Vanguard; chief executive officer (2018–present) of Vanguard; chief executive officer, president, and trustee (2018–present) of each of the investment companies served by Vanguard; president and director (2017–present) of Vanguard; and president (2018–present) of Vanguard Marketing Corporation. Chief investment officer (2013–2017), managing director (2002–2017), head of the Retail Investor Group (2006–2012), and chief information officer (2001–2006) of Vanguard. Chairman of the board (2011–2017) and trustee (2009–2017) of the Children's Hospital of Philadelphia; and trustee (2018–present) and vice chair (2019–present) of The Shipley School.

Independent Trustees

Emerson U. Fullwood

Born in 1948. Trustee since January 2008. Principal occupation(s) during the past five years and other experience: executive chief staff and marketing officer for North America and corporate vice president (retired 2008) of Xerox Corporation (document management products and services). Former president of the Worldwide Channels Group, Latin America, and Worldwide Customer Service and executive chief staff officer of Developing Markets of Xerox. Executive in residence and 2009–2010 Distinguished Minett Professor at the Rochester Institute of Technology. Director of SPX FLOW, Inc. (multi-industry manufacturing). Director of the University of Rochester Medical Center, the Monroe Community College Foundation, the United Way of Rochester, North Carolina A&T University, and Roberts Wesleyan College. Trustee of the University of Rochester.

Amy Gutmann

Born in 1949. Trustee since June 2006. Principal occupation(s) during the past five years and other experience: president (2004–present) of the University of Pennsylvania. Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and professor of communication, Annenberg School for Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania.

F. Joseph Loughrey

Born in 1949. Trustee since October 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2009) and vice chairman of the board (2008–2009) of Cummins Inc. (industrial machinery). Chairman of the board of Hillenbrand, Inc. (specialized consumer services) and the Lumina Foundation. Director of the V Foundation. Member of the advisory council for the College of Arts and Letters and chair of the advisory board to the Kellogg Institute for International Studies, both at the University of Notre Dame.

Mark Loughridge

Born in 1953. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: senior vice president and chief financial officer (retired 2013) of IBM (information technology services). Fiduciary member of IBM's Retirement Plan Committee (2004–2013), senior vice president and general manager (2002–2004) of IBM Global Financing, vice president and controller (1998–2002) of IBM, and a variety of other prior management roles at IBM. Member of the Council on Chicago Booth.

Scott C. Malpass

Born in 1962. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: chief investment officer (retired June 2020) and vice president (retired June 2020) of the University of Notre Dame. Assistant professor of finance at the Mendoza College of Business, University of Notre Dame, and member of the Notre Dame 403(b) Investment Committee (retired June 2020). Member of the board of Catholic Investment Services, Inc. (investment advisors) and the board of superintendence of the Institute for the Works of Religion.

Deanna Mulligan

Born in 1963. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: board chair (2020–present), chief executive officer (2011–2020), and president (2010–2019) of The Guardian Life Insurance Company of America. Chief operating officer (2010–2011) and executive vice president (2008–2010) of the individual life and disability division of Guardian Life. Member of the board of the American Council of Life Insurers and the board of the Economic Club of New York. Trustee of the Partnership for New York City (business leadership), Chief Executives for Corporate Purpose, NewYork-Presbyterian Hospital, Catalyst, and the

Bruce Museum (arts and science). Member of the Advisory Council for the Stanford Graduate School of Business.

André F. Perold

Born in 1952. Trustee since December 2004. Principal occupation(s) during the past five years and other experience: George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011). Chief investment officer and co-managing partner of HighVista Strategies (private investment firm). Member of the board of advisors and member of the investment committee of the Museum of Fine Arts Boston. Member of the board (2018–present) of RIT Capital Partners (investment firm). Member of the investment committee of Partners Health Care System.

Sarah Bloom Raskin

Born in 1961. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: deputy secretary (2014–2017) of the United States Department of the Treasury. Governor (2010–2014) of the Federal Reserve Board. Commissioner (2007–2010) of financial regulation for the State of Maryland. Member of the board of directors (2012–2014) of Neighborhood Reinvestment Corporation. Director (2017–present) of i(x) Investments, LLC; director (2017–present) of Reserve Trust. Rubenstein Fellow (2017–present) of Duke University; trustee (2017–present) of Amherst College, and trustee (2019–present) of the Folger Shakespeare Library.

Peter F. Volanakis

Born in 1955. Trustee since July 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2010) of Corning Incorporated (communications equipment) and director of Corning Incorporated (2000–2010) and Dow Corning (2001–2010). Director (2012) of SPX Corporation (multi-industry manufacturing). Overseer of the Amos Tuck School of Business Administration, Dartmouth College (2001–2013). Chairman of the board of trustees of Colby-Sawyer College. Member of the board of Hypertherm Inc. (industrial cutting systems, software, and consumables).

¹ Mr. Buckley is considered an "interested person," as defined in the Investment Company Act of 1940, because he is an officer of the Vanguard funds.

Executive Officers

John Bendl

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief financial officer (2019–present) of each of the investment companies served by Vanguard. Chief accounting officer, treasurer, and controller of Vanguard (2017–present). Partner (2003–2016) at KPMG (audit, tax, and advisory services).

Christine M. Buchanan

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Treasurer (2017–present) of each of the investment companies served by Vanguard. Partner (2005–2017) at KPMG (audit, tax, and advisory services).

David Cermak

Born in 1960. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present) of each of the investment companies served by Vanguard. Managing director and head (2017–present) of Vanguard Investments Singapore. Managing director and head (2017–2019) of Vanguard Investments Hong Kong. Representative director and head (2014–2017) of Vanguard Investments Japan.

John Galloway

Born in 1973. Principal occupation(s) during the past five years and other experience: principal of Vanguard.

Investment stewardship officer (September 2020–present) of each of the investment companies served by Vanguard. Head of Investor Advocacy (February 2020–present) and head of Marketing Strategy and Planning (2017–2020) at Vanguard. Deputy assistant to the President of the United States (2015).

Thomas J. Higgins

Born in 1957. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present), chief financial officer (2008–2019), and treasurer (1998–2008) of each of the investment companies served by Vanguard.

Peter Mahoney

Born in 1974. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Controller (2015–present) of each of the investment companies served by Vanguard. Head of International Fund Services (2008–2014) at Vanguard.

Anne E. Robinson

Born in 1970. Principal occupation(s) during the past five years and other experience: general counsel (2016–present) of Vanguard. Secretary (2016–present) of Vanguard and of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Managing director and general counsel of Global Cards and Consumer Services (2014–2016) at Citigroup. Counsel (2003–2014) at American Express.

Michael Rollings

Born in 1963. Principal occupation(s) during the past five years and other experience: finance director (2017–present) and treasurer (2017) of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Chief financial officer (2016–present) of Vanguard. Director (2016–present) of Vanguard Marketing Corporation. Executive vice president and chief financial officer (2006–2016) of MassMutual Financial Group.

John E. Schadl

Born in 1972. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief compliance officer (2019–present) of Vanguard and of each of the investment companies served by Vanguard. Assistant vice president (2019–present) of Vanguard Marketing Corporation.

Vanguard Senior Management Team

Joseph Brennan
Mortimer J. Buckley
Gregory Davis
John James
John T. Marcante
Chris D. McIsaac

James M. Norris
Thomas M. Rampulla
Karin A. Risi
Anne E. Robinson
Michael Rollings
Lauren Valente



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All comparative mutual fund data are from Morningstar, Inc., unless otherwise noted.

You can review information about your fund on the SEC's website, and you can receive copies of this information, for a fee, by sending a request via email addressed to publicinfo@sec.gov.

This material may be used in conjunction with the offering of shares of any Vanguard fund only if preceded or accompanied by the fund's current prospectus.

You can obtain a free copy of Vanguard's proxy voting guidelines by visiting vanguard.com/proxyreporting or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, www.sec.gov. In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either vanguard.com/proxyreporting or www.sec.gov.

Annual Report | December 31, 2020

Vanguard Variable Insurance Funds

Mid-Cap Index Portfolio

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Your Portfolio's Performance at a Glance

- For the 12 months ended December 31, 2020, the Mid-Cap Index Portfolio returned 18.07%, in line with its benchmark index after factoring in the portfolio's expenses.
- The emergence of COVID-19 in early 2020 turned into a global health crisis, and aggressive attempts to contain it resulted in a sharp downturn in economic activity. Unemployment spiked, and sectors where social distancing isn't possible were hit hard. Stocks initially plummeted as infections surged, but they finished the year significantly higher, thanks in part to rapid and robust monetary and fiscal action by policymakers and the rollout of COVID-19 vaccines in mid-December.
- Nine of the portfolio's 11 sectors finished the year with positive returns. Technology stocks contributed the most to the portfolio's results. Health care and industrials were also among the top performers. Energy stocks hurt the most as the pandemic severely reduced global demand for oil.
- Over the 10 years ended December 31, the portfolio recorded an average annual return of 12.26%, in line with its benchmark average.
- Please note that the portfolio's returns are different from those in Vanguard Variable Annuity (and other plans that invest in the portfolio), which take into account insurance-related expenses.

Market Barometer

	Average Annual Total Returns Periods Ended December 31, 2020		
	One Year	Three Years	Five Years
Stocks			
Russell 1000 Index (Large-caps)	20.96%	14.82%	15.60%
Russell 2000 Index (Small-caps)	19.96	10.25	13.26
Russell 3000 Index (Broad U.S. market)	20.89	14.49	15.43
FTSE All-World ex US Index (International)	11.22	5.18	9.16
Bonds			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	7.51%	5.34%	4.44%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	5.21	4.64	3.91
FTSE Three-Month U.S. Treasury Bill Index	0.58	1.56	1.16
CPI			
Consumer Price Index	1.36%	1.85%	1.95%

About Your Portfolio's Expenses

As a shareholder of the portfolio, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a portfolio's gross income, directly reduce the investment return of the portfolio.

A portfolio's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your portfolio and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your portfolio's costs in two ways:

- **Based on actual portfolio return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the portfolio's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the portfolio. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, 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 given for your portfolio under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your portfolio's costs with those of other mutual funds. It assumes that the portfolio had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the portfolio's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your portfolio's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the portfolio for buying and selling securities. The portfolio's expense ratio does not reflect additional fees and expenses associated with the annuity or life insurance program through which you invest.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the portfolio's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your portfolio's current prospectus.

Six Months Ended December 31, 2020

	Beginning Account Value 6/30/2020	Ending Account Value 12/31/2020	Expenses Paid During Period
Mid-Cap Index Portfolio			
Based on Actual Portfolio Return	\$1,000.00	\$1,273.90	\$0.97
Based on Hypothetical 5% Yearly Return	1,000.00	1,024.28	0.87

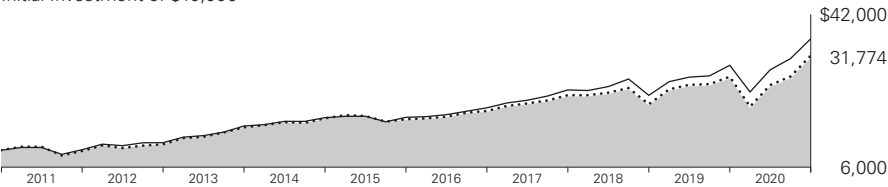
The calculations are based on expenses incurred in the most recent six-month period. The portfolio's annualized six-month expense ratio for that period is 0.17%. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (184/366).

Mid-Cap Index Portfolio

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the portfolio. (Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on portfolio distributions or on the sale of portfolio shares. Nor do the returns reflect fees and expenses associated with the annuity or life insurance program through which a shareholder invests. If these fees and expenses were included, the portfolio's returns would be lower.

Cumulative Performance: December 31, 2010, Through December 31, 2020
Initial Investment of \$10,000



	Average Annual Total Returns			Final Value of a \$10,000 Investment
	One Year	Five Years	Ten Years	
Mid-Cap Index Portfolio	18.07%	13.14%	12.26%	\$31,774
Spliced Mid-Cap Index	18.24	13.30	12.44	32,295
Dow Jones U.S. Total Stock Market Float Adjusted Index	20.79	15.36	13.74	36,240

Spliced Mid-Cap Index: MSCI US Mid Cap 450 Index through January 30, 2013; CRSP US Mid Cap Index thereafter.

Mid-Cap Index Portfolio

Portfolio Allocation

As of December 31, 2020

Basic Materials	3.9%
Consumer Discretionary	15.2
Consumer Staples	4.3
Energy	3.1
Financials	11.4
Health Care	11.5
Industrials	13.1
Real Estate	8.6
Technology	20.4
Telecommunications	2.2
Utilities	6.3

The table reflects the portfolio's investments, except for short-term investments and derivatives. Sector categories are based on the Industry Classification Benchmark ("ICB"), except for the "Other" category (if applicable), which includes securities that have not been provided an ICB classification as of the effective reporting period.

The portfolio may invest in derivatives (such as futures and swap contracts) for various reasons, including, but not limited to, attempting to remain fully invested and tracking its target index as closely as possible.

The Industry Classification Benchmark ("ICB") is owned by FTSE. FTSE does not accept any liability to any person for any loss or damage arising out of any error or omission in the ICB.

Schedule of Investments

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

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Mid-Cap Index Portfolio

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Financials (11.4%)					
MSCI Inc. Class A	29,960	13,378	Cardinal Health Inc.	111,723	5,984
IHS Markit Ltd.	136,493	12,261	* Alnylam Pharmaceuticals Inc.	44,233	5,749
Discover Financial Services	116,732	10,568	* ABIOMED Inc.	17,195	5,575
Willis Towers Watson plc	49,067	10,337	* Elanco Animal Health Inc.	179,640	5,510
First Republic Bank	66,230	9,731	DENTSPLY SIRONA Inc.	83,073	4,350
State Street Corp.	127,586	9,286	Universal Health Services Inc. Class B	28,163	3,872
Arthur J Gallagher & Co.	73,200	9,056	* Henry Schein Inc.	54,390	3,636
Ameriprise Financial Inc.	44,892	8,724	* DaVita Inc.	27,728	3,255
KKR & Co. Inc.	205,872	8,336	* Insulet Corp.	12,600	3,221
MarketAxess Holdings Inc.	13,726	7,831	* PPD Inc.	46,677	1,597
* SVB Financial Group	19,701	7,641	* GoodRx Holdings Inc. Class A	15,975	644
Fifth Third Bancorp	271,066	7,473			258,333
Nasdaq Inc.	56,226	7,463	Industrials (13.1%)		
Northern Trust Corp.	75,330	7,016	Verisk Analytics Inc. Class A	61,921	12,854
Broadridge Financial Solutions Inc.	43,992	6,740	Carrier Global Corp.	330,005	12,448
Hartford Financial Services Group Inc.	136,312	6,677	* TransDigm Group Inc.	19,692	12,186
American International Group Inc.	163,900	6,205	Cintas Corp.	33,881	11,976
KeyCorp	372,336	6,110	Ball Corp.	124,542	11,605
M&T Bank Corp.	46,486	5,918	AMETEK Inc.	87,622	10,597
Regions Financial Corp.	365,293	5,888	* Mettler-Toledo International Inc.	9,056	10,321
Citizens Financial Group Inc.	162,450	5,809	* Keysight Technologies Inc.	70,520	9,315
* Market Corp.	5,244	5,419	* Equifax Inc.	46,321	8,933
* Arch Capital Group Ltd.	146,848	5,297	* FleetCor Technologies Inc.	31,757	8,664
Principal Financial Group Inc.	104,664	5,192	Fortive Corp.	122,011	8,641
Cincinnati Financial Corp.	58,204	5,085	Old Dominion Freight Line Inc.	40,205	7,847
Ally Financial Inc.	142,308	5,075	Vulcan Materials Co.	50,412	7,477
Huntington Bancshares Inc.	387,133	4,889	Synchrony Financial	211,000	7,324
FactSet Research Systems Inc.	14,457	4,807	Kansas City Southern	35,600	7,267
Raymond James Financial Inc.	46,958	4,492	TransUnion	72,403	7,184
Annaly Capital Management Inc.	531,190	4,489	VW Grainger Inc.	17,363	7,090
Fidelity National Financial Inc.	106,144	4,149	Xylem Inc.	68,568	6,980
Loews Corp.	88,933	4,004	Dover Corp.	54,843	6,924
Equitable Holdings Inc.	152,413	3,900	Martin Marietta Materials Inc.	23,716	6,735
Cboe Global Markets Inc.	41,170	3,834	* Ingersoll Rand Inc.	143,112	6,520
Everest Re Group Ltd.	15,224	3,564	* United Rentals Inc.	27,478	6,372
Globe Life Inc.	35,907	3,410	* Trimble Inc.	95,204	6,357
W R Berkley Corp.	50,856	3,378	* Expeditors International of Washington Inc.	64,518	6,136
Franklin Resources Inc.	115,047	2,875	* Waters Corp.	23,628	5,846
Interactive Brokers Group Inc. Class A	29,450	1,794	Otis Worldwide Corp.	82,396	5,566
Lincoln National Corp.	35,036	1,763	Rockwell Automation Inc.	22,118	5,547
AGNC Investment Corp.	104,101	1,624	Masco Corp.	99,528	5,467
Alleghany Corp.	2,597	1,568	Jacobs Engineering Group Inc.	49,380	5,380
SEI Investments Co.	24,833	1,427	* Crown Holdings Inc.	51,263	5,137
		254,483	Westinghouse Air Brake Technologies Corp.	68,855	5,040
Health Care (11.5%)			Packaging Corp. of America	36,108	4,980
* IDEXX Laboratories Inc.	32,471	16,231	CH Robinson Worldwide Inc.	51,790	4,861
* Align Technology Inc.	27,014	14,436	JB Hunt Transport Services Inc.	32,169	4,396
* Veeva Systems Inc. Class A	51,638	14,058	Westrock Co.	100,003	4,353
* DexCom Inc.	36,593	13,529	Textron Inc.	87,118	4,210
* Centene Corp.	220,660	13,246	* Zebra Technologies Corp. Class A	10,200	3,920
* IQVIA Holdings Inc.	72,973	13,075	Snap-on Inc.	20,657	3,535
ResMed Inc.	55,184	11,730	Western Union Co.	156,426	3,432
* Teladoc Health Inc.	49,700	9,938	HEICO Corp. Class A	28,499	3,336
Cerner Corp.	116,648	9,155	Cognex Corp.	31,541	2,532
* Seagen Inc.	51,544	9,027	Jack Henry & Associates Inc.	14,560	2,359
* Viatis Inc.	463,157	8,680	HEICO Corp.	15,769	2,088
* Exact Sciences Corp.	60,548	8,022	* XPO Logistics Inc.	17,401	2,074
West Pharmaceutical Services Inc.	26,700	7,564	Hubbell Inc. Class B	10,332	1,620
* Laboratory Corp. of America Holdings	37,067	7,545	*.1 Nikola Corp.	33,000	504
Cooper Cos. Inc.	20,307	7,378			293,936
Teleflex Inc.	17,718	7,292	Real Estate (8.6%)		
* Hologic Inc.	97,789	7,122	Digital Realty Trust Inc.	106,675	14,882
* Moderna Inc.	60,252	6,295	* CoStar Group Inc.	15,006	13,870
* Alexion Pharmaceuticals Inc.	39,591	6,186	SBA Communications Corp. Class A	42,305	11,936
* Incyte Corp.	70,881	6,165	Welltower Inc.	158,814	10,263
Quest Diagnostics Inc.	51,292	6,112	Weyerhaeuser Co.	284,321	9,533
* Varian Medical Systems Inc.	34,814	6,093	Alexandria Real Estate Equities Inc.	51,383	9,158
* BioMarin Pharmaceutical Inc.	69,114	6,061	AvalonBay Communities Inc.	53,159	8,528

Mid-Cap Index Portfolio

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Equity Residential	141,836	8,408	NortonLifeLock Inc.	213,563	4,438
Realty Income Corp.	133,569	8,304	Teradyne Inc.	31,600	3,789
* CBRE Group Inc. Class A	121,419	7,615	* HubSpot Inc.	8,300	3,290
* Zillow Group Inc. Class C	57,100	7,412	* IPG Photonics Corp.	13,191	2,952
Ventas Inc.	142,500	6,988	* Cloudflare Inc. Class A	37,900	2,880
Invitation Homes Inc.	213,174	6,331	Leidos Holdings Inc.	27,100	2,849
Sun Communities Inc.	40,988	6,228	* Dropbox Inc. Class A	114,586	2,543
Healthpeak Properties Inc.	204,809	6,191	* F5 Networks Inc.	11,731	2,064
Essex Property Trust Inc.	24,828	5,895	*.1 Palantir Technologies Inc. Class A	84,248	1,984
Extra Space Storage Inc.	49,192	5,699	* ZoomInfo Technologies Inc. Class A	29,608	1,428
Duke Realty Corp.	141,699	5,664	* Unity Software Inc.	298	46
Mid-America Apartment Communities Inc.	43,538	5,516			
Simon Property Group Inc.	61,933	5,282			455,327
Boston Properties Inc.	53,374	5,045	Telecommunications (2.2%)		
WP Carey Inc.	66,727	4,710	* Roku Inc.	41,496	13,778
UDR Inc.	112,050	4,306	Motorola Solutions Inc.	64,531	10,974
Camden Property Trust	37,030	3,700	* Liberty Broadband Corp. Class C	61,239	9,698
Iron Mountain Inc.	109,663	3,233	CenturyLink Inc.	417,987	4,075
* Zillow Group Inc. Class A	15,900	2,161	*.1 Altice USA Inc. Class A	101,177	3,832
Host Hotels & Resorts Inc.	134,658	1,970	* DISH Network Corp. Class A	92,931	3,005
VEREIT Inc.	41,494	1,568	* Liberty Broadband Corp. Class A	9,486	1,495
Regency Centers Corp.	32,399	1,477	Juniper Networks Inc.	62,939	1,417
		191,873			48,274
Technology (20.3%)			Utilities (6.3%)		
* Twitter Inc.	302,677	16,390	Eversource Energy	130,484	11,288
KLA Corp.	58,819	15,229	WEC Energy Group Inc.	120,163	11,059
* Synopsys Inc.	57,761	14,974	American Water Works Co. Inc.	69,062	10,599
Amphenol Corp. Class A	113,926	14,898	Waste Connections Inc.	100,087	10,266
* DocuSign Inc. Class A	67,000	14,894	Edison International	144,141	9,055
* Match Group Inc.	96,204	14,545	DTE Energy Co.	73,096	8,875
* Cadence Design Systems Inc.	106,245	14,495	PPL Corp.	292,967	8,262
* CrowdStrike Holdings Inc. Class A	66,700	14,128	Entergy Corp.	76,256	7,613
Microchip Technology Inc.	99,089	13,685	Ameren Corp.	93,906	7,330
Xilinx Inc.	93,315	13,229	* PG&E Corp.	566,467	7,058
* Pinterest Inc. Class A	194,504	12,818	CMS Energy Corp.	109,099	6,656
* Palo Alto Networks Inc.	34,466	12,249	FirstEnergy Corp.	206,478	6,320
Marvell Technology Group Ltd.	255,138	12,129	AES Corp.	252,923	5,945
* ANSYS Inc.	32,685	11,891	Alliant Energy Corp.	95,198	4,906
* Okta Inc.	45,677	11,614	Evergy Inc.	86,265	4,789
* RingCentral Inc. Class A	30,190	11,441	Consolidated Edison Inc.	65,100	4,705
* Snap Inc. Class A	211,464	10,588	CenterPoint Energy Inc.	207,395	4,488
Corning Inc.	290,745	10,467	Vistra Corp.	186,326	3,663
* Splunk Inc.	61,087	10,378	NiSource Inc.	145,793	3,344
Skyworks Solutions Inc.	63,229	9,666	NRG Energy Inc.	46,371	1,741
* Twilio Inc. Class A	26,688	9,034	Pinnacle West Capital Corp.	21,494	1,718
Maxim Integrated Products Inc.	101,789	9,024	Avangrid Inc.	23,545	1,070
* Coupa Software Inc.	26,200	8,879			140,750
* Paycom Software Inc.	18,925	8,559	Total Common Stocks		
* VeriSign Inc.	36,931	7,992	(Cost \$1,616,411)		2,237,601
* Fortinet Inc.	52,470	7,793	Temporary Cash Investments (0.6%)		
* Slack Technologies Inc. Class A	174,703	7,379	Money Market Fund (0.6%)		
* EPAM Systems Inc.	20,300	7,274	^{2,3} Vanguard Market Liquidity Fund, 0.111 %	143,362	14,337
* Qorvo Inc.	43,378	7,212			
CDW Corp.	54,462	7,178			
* Tyler Technologies Inc.	15,400	6,722			
* Datadog Inc. Class A	67,300	6,625			
* Akamai Technologies Inc.	61,952	6,504			
Citrix Systems Inc.	46,853	6,096			
Western Digital Corp.	110,028	6,094			
SS&C Technologies Holdings Inc.	82,761	6,021			
* Arista Networks Inc.	20,190	5,867			
Hewlett Packard Enterprise Co.	490,268	5,810			
* Zscaler Inc.	28,100	5,612			
NetApp Inc.	84,480	5,596			
* IAC/InterActiveCorp	28,770	5,448			
* GoDaddy Inc. Class A	63,897	5,300			
Seagate Technology plc	83,090	5,165			
* Gartner Inc.	32,237	5,164			
* Black Knight Inc.	56,685	5,008			

Mid-Cap Index Portfolio

	Face Amount (\$000)	Market Value* (\$000)
U.S. Government and Agency Obligations (0.0%)		
⁴ United States Treasury Bill, 0.097%, 1/28/21	108	108
Total Temporary Cash Investments (Cost \$14,447)		14,445
Total Investments (100.5%) (Cost \$1,630,858)		2,252,046
Other Assets and Liabilities—Net (-0.5%)		(11,022)
Net Assets (100%)		2,241,024

Cost is in \$000.

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

1 Includes partial security positions on loan to broker-dealers. The total value of securities on loan is \$9,813,000.

2 Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.

3 Collateral of \$10,392,000 was received for securities on loan.

4 Securities with a value of \$108,000 have been segregated as initial margin for open futures contracts.

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

				(\$000)
	Expiration	Number of Long (Short) Contracts	Notional Amount	Value and Unrealized Appreciation (Depreciation)
Long Futures Contracts				
E-mini S&P 500 Index	March 2021	12	2,249	34
E-mini S&P Mid-Cap 400 Index	March 2021	17	3,916	95
				129

Statement of Assets and Liabilities

As of December 31, 2020

(\$000s, except shares and per-share amounts)	Amount
Assets	
Investments in Securities, at Value	
Unaffiliated Issuers (Cost \$1,616,519)	2,237,709
Affiliated Issuers (Cost \$14,339)	14,337
Total Investments in Securities	2,252,046
Investment in Vanguard	85
Cash Collateral Pledged—Futures Contracts	259
Receivables for Investment Securities Sold	3,581
Receivables for Accrued Income	2,616
Receivables for Capital Shares Issued	531
Variation Margin Receivable—Futures Contracts	22
Total Assets	2,259,140
Liabilities	
Due to Custodian	3,138
Payables for Investment Securities Purchased	1,285
Collateral for Securities on Loan	10,392
Payables for Capital Shares Redeemed	3,094
Payables to Vanguard	207
Total Liabilities	18,116
Net Assets	2,241,024

At December 31, 2020, net assets consisted of:

Paid-in Capital	1,430,122
Total Distributable Earnings (Loss)	810,902
Net Assets	2,241,024

Net Assets	
Applicable to 86,965,574 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	2,241,024
Net Asset Value Per Share	\$25.77

Statement of Operations

	Year Ended December 31, 2020
	(\$000)
Investment Income	
Income	
Dividends	32,311
Interest ¹	29
Securities Lending—Net	258
Total Income	32,598
Expenses	
The Vanguard Group—Note B	
Investment Advisory Services	291
Management and Administrative	2,721
Marketing and Distribution	184
Custodian Fees	50
Auditing Fees	32
Shareholders' Reports	29
Trustees' Fees and Expenses	1
Total Expenses	3,308
Net Investment Income	29,290
Realized Net Gain (Loss)	
Investment Securities Sold ¹	163,174
Futures Contracts	511
Realized Net Gain (Loss)	163,685
Change in Unrealized Appreciation (Depreciation)	
Investment Securities ¹	140,792
Futures Contracts	20
Change in Unrealized Appreciation (Depreciation)	140,812
Net Increase (Decrease) in Net Assets Resulting from Operations	333,787

¹ Interest income, realized net gain (loss), and change in unrealized appreciation (depreciation) from an affiliated company of the portfolio were \$27,000, \$7,000, and (\$1,000), respectively. Purchases and sales are for temporary cash investment purposes.

Statement of Changes in Net Assets

	Year Ended December 31,	
	2020 (\$000)	2019 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	29,290	29,001
Realized Net Gain (Loss)	163,685	112,918
Change in Unrealized Appreciation (Depreciation)	140,812	360,047
Net Increase (Decrease) in Net Assets Resulting from Operations	333,787	501,966
Distributions¹		
Total Distributions	(142,409)	(172,303)
Capital Share Transactions		
Issued	302,317	300,982
Issued in Lieu of Cash Distributions	142,409	172,303
Redeemed	(549,858)	(269,427)
Net Increase (Decrease) from Capital Share Transactions	(105,132)	203,858
Total Increase (Decrease)	86,246	533,521
Net Assets		
Beginning of Period	2,154,778	1,621,257
End of Period	2,241,024	2,154,778

¹ Certain prior-period numbers have been reclassified to conform with the current-period presentation.

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended December 31,				
	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$24.03	\$20.23	\$23.72	\$21.11	\$20.76
Investment Operations					
Net Investment Income	.325 ^{1,2}	.334 ¹	.343 ¹	.292 ¹	.280
Net Realized and Unrealized Gain (Loss) on Investments	3.047	5.621	(2.386)	3.575	1.814
Total from Investment Operations	3.372	5.955	(2.043)	3.867	2.094
Distributions					
Dividends from Net Investment Income	(.344)	(.350)	(.286)	(.270)	(.292)
Distributions from Realized Capital Gains	(1.288)	(1.805)	(1.161)	(.987)	(1.452)
Total Distributions	(1.632)	(2.155)	(1.447)	(1.257)	(1.744)
Net Asset Value, End of Period	\$25.77	\$24.03	\$20.23	\$23.72	\$21.11
Total Return	18.07%	30.87%	-9.33%	19.08%	11.11%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$2,241	\$2,155	\$1,621	\$1,804	\$1,495
Ratio of Total Expenses to Average Net Assets	0.17%	0.17%	0.17%	0.19%	0.19%
Ratio of Net Investment Income to Average Net Assets	1.50% ²	1.49%	1.49%	1.32%	1.40%
Portfolio Turnover Rate	28%	21%	21%	18%	21%

1 Calculated based on average shares outstanding.

2 Net investment income per share and the ratio of net investment income to average net assets include \$0.036 and 0.17%, respectively, resulting from a special dividend from NortonLifeLock Inc. in February 2020.

Notes to Financial Statements

The Mid-Cap Index Portfolio, a portfolio of Vanguard Variable Insurance Funds, is registered under the Investment Company Act of 1940 as an open-end investment company. The portfolio's shares are only available for purchase by separate accounts of insurance companies as investments for variable annuity plans, variable life insurance contracts, or other variable benefit insurance contracts. Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the portfolio and thus portfolio performance.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The portfolio consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been materially affected by events occurring before the portfolio's pricing time but after the close of the securities' primary markets, are valued by methods deemed by the board of trustees to represent fair value. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services.

2. **Futures Contracts:** The portfolio uses index futures contracts to a limited extent, with the objectives of maintaining full exposure to the stock market, maintaining liquidity, and minimizing transaction costs. The portfolio may purchase futures contracts to immediately invest incoming cash in the market, or sell futures in response to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the portfolio and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the portfolio trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the portfolio's performance and requires daily settlement of variation margin representing changes in the market value of each contract. Any securities pledged as initial margin for open contracts are noted in the Schedule of Investments.

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures contracts.

During the year ended December 31, 2020, the portfolio's average investments in long and short futures contracts represented less than 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **Federal Income Taxes:** The portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income. The portfolio's tax returns are open to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return. Management has analyzed the portfolio's tax positions taken for all open federal and state income tax years, and has concluded that no provision for income tax is required in the portfolio's financial statements.

4. **Distributions:** Distributions to shareholders are recorded on the ex-dividend date. Distributions are determined on a tax basis at the fiscal year-end and may differ from net investment income and realized capital gains for financial reporting purposes.

5. **Securities Lending:** To earn additional income, the portfolio lends its securities to qualified institutional borrowers. Security loans are subject to termination by the portfolio at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled before the opening of the market on the next business day. The portfolio further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of

prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the portfolio; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the event of a default, the portfolio may experience delays and costs in recovering the securities loaned. The portfolio invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Assets and Liabilities for the return of the collateral, during the period the securities are on loan. Collateral investments in Vanguard Market Liquidity Fund are subject to market appreciation or depreciation. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the portfolio is entitled to all distributions made on or in respect of the loaned securities.

6. Credit Facilities and Interfund Lending Program: The portfolio and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$4.3 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement and an uncommitted credit facility provided by Vanguard. Both facilities may be renewed annually. Each fund is individually liable for its borrowings, if any, under the credit facilities. Borrowings may be utilized for temporary or emergency purposes, subject to the portfolio's regulatory and contractual borrowing restrictions. With respect to the committed credit facility, the participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn committed amount of the facility; these fees are allocated to the funds based on a method approved by the portfolio's board of trustees and included in Management and Administrative expenses on the portfolio's Statement of Operations. Any borrowings under either facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate (or an acceptable alternate rate, if necessary), federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread, except that borrowings under the uncommitted credit facility may bear interest based upon an alternative rate agreed to by the portfolio and Vanguard.

In accordance with an exemptive order (the "Order") from the SEC, the portfolio may participate in a joint lending and borrowing program that allows registered open-end Vanguard funds to borrow money from and lend money to each other for temporary or emergency purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the portfolio's investment objective and investment policies. Interfund loans and borrowings normally extend overnight, but can have a maximum duration of seven days. Loans may be called on one business day's notice. The interest rate to be charged is governed by the conditions of the Order and internal procedures adopted by the board of trustees. The board of trustees is responsible for overseeing the Interfund Lending Program.

For the year ended December 31, 2020, the portfolio did not utilize the credit facilities or the Interfund Lending Program.

7. Other: Dividend income is recorded on the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair value of the securities received. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for premiums on certain callable debt securities that are amortized to the earliest call date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the portfolio, Vanguard furnishes to the portfolio investment advisory, corporate management, administrative, marketing, and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the portfolio based on methods and guidelines approved by the board of trustees and are generally settled twice a month.

Upon the request of Vanguard, the portfolio may invest up to 0.40% of its net assets as capital in Vanguard. At December 31, 2020, the portfolio had contributed to Vanguard capital in the amount of \$85,000, representing less than 0.01% of the portfolio's net assets and 0.03% of Vanguard's capital received pursuant to the FSA. The portfolio's trustees and officers are also directors and employees, respectively, of Vanguard.

C. Various inputs may be used to determine the value of the portfolio's investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

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

Level 3—Significant unobservable inputs (including the portfolio's own assumptions used to determine the fair value of investments). Any investments and derivatives valued with significant unobservable inputs are noted on the Schedule of Investments.

The following table summarizes the market value of the portfolio's investments and derivatives as of December 31, 2020, based on the inputs used to value them:

	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
Investments				
Assets				
Common Stocks	2,237,601	—	—	2,237,601
Temporary Cash Investments	14,337	108	—	14,445
Total	2,251,938	108	—	2,252,046
Derivative Financial Instruments				
Assets				
Futures Contracts ¹	22	—	—	22

¹ Represents variation margin on the last day of the reporting period.

D. Permanent differences between book-basis and tax-basis components of net assets, if any, are reclassified among capital accounts in the financial statements to reflect their tax character. These reclassifications have no effect on net assets or net asset value per share.

Temporary differences between book-basis and tax-basis components of total distributable earnings (losses) arise when certain items of income, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. The differences are primarily related to the deferral of losses from wash sales and the recognition of unrealized gains or losses from certain derivative contracts. As of period end, the tax-basis components of total distributable earnings (losses) are detailed in the table as follows:

	Amount (\$000)
Undistributed Ordinary Income	45,598
Undistributed Long-Term Gains	144,283
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Net Unrealized Gains (Losses)	621,021

The tax character of distributions paid was as follows:

	Year Ended December 31,	
	2020 Amount (\$000)	2019 Amount (\$000)
Ordinary Income*	31,056	32,008
Long-Term Capital Gains	111,353	140,295
Total	142,409	172,303

* Includes short-term capital gains, if any.

As of December 31, 2020, gross unrealized appreciation and depreciation for investments and derivatives based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	1,631,025
Gross Unrealized Appreciation	689,240
Gross Unrealized Depreciation	(68,219)
Net Unrealized Appreciation (Depreciation)	621,021

E. During the year ended December 31, 2020, the portfolio purchased \$536,088,000 of investment securities and sold \$746,889,000 of investment securities, other than temporary cash investments.

The portfolio purchased securities from and sold securities to other Vanguard funds or accounts managed by Vanguard or its affiliates, in accordance with procedures adopted by the board of trustees in compliance with Rule 17a-7 of the Investment Company Act of 1940. For the year ended December 31, 2020, such purchases and sales were \$35,782,000 and \$192,588,000, respectively; these amounts, other than temporary cash investments, are included in the purchases and sales of investment securities noted above.

F. Capital shares issued and redeemed were:

	Year Ended December 31,	
	2020 Shares (000)	2019 Shares (000)
Issued	14,451	13,473
Issued in Lieu of Cash Distributions	8,812	8,135
Redeemed	(25,982)	(12,082)
Net Increase (Decrease) in Shares Outstanding	(2,719)	9,526

At December 31, 2020, one shareholder (an insurance company separate account whose holdings in the portfolio represent the indirect investment of Vanguard Variable Annuity contract holders) was the record or beneficial owner of 40% of the portfolio's net assets. If this shareholder were to redeem its investment in the portfolio, the redemption might result in an increase in the portfolio's expense ratio, cause the portfolio to incur higher transaction costs, or lead to the realization of taxable gains.

G. Management has determined that no events or transactions occurred subsequent to December 31, 2020, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Variable Insurance Funds and Shareholders of Mid-Cap Index Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Mid-Cap Index Portfolio (one of the portfolios constituting Vanguard Variable Insurance Funds, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent; 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
Philadelphia, Pennsylvania
February 18, 2021

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Special 2020 tax information (unaudited) for corporate shareholders only for Mid-Cap Index Portfolio, a portfolio of Vanguard Variable Insurance Funds

This information for the fiscal year ended December 31, 2020, is included pursuant to provisions of the Internal Revenue Code for corporate shareholders only.

The portfolio distributed \$111,353,000 as capital gain dividends (20% rate gain distributions) to shareholders during the fiscal year.

For corporate shareholders, 54.7% of investment income (dividend income plus short-term gains, if any) qualifies for the dividends-received deduction.

The CRSP US Mid Cap Index (the “Index”) is a product of the Center for Research in Security Prices, LLC (“CRSP”), an affiliate of the University of Chicago (“University”), and has been licensed for use by Vanguard. CRSP® is a trademark of CRSP; and has been licensed by CRSP for use for certain purposes by Vanguard. The Vanguard Mid-Cap Index Portfolio is not sponsored, endorsed, sold or promoted by CRSP or University. Neither CRSP nor University makes any representation or warranty, express or implied, to the owners of the Vanguard Mid-Cap Index Portfolio or any member of the public regarding the advisability of investing in securities generally or in Vanguard Mid-Cap Index Portfolio particularly or the ability of the Index to track general market performance. The Index is determined, composed and calculated without regard to Vanguard or the Vanguard Mid-Cap Index Portfolio. Neither CRSP nor the University has any obligation to take the needs of Vanguard or the owners of Vanguard Mid-Cap Index Portfolio into consideration in determining, composing or calculating the Index. Neither CRSP nor the University is responsible for and has not participated in the determination of the prices and amount of Vanguard Mid-Cap Index Portfolio or the timing of the issuance or sale of Vanguard Mid-Cap Index Portfolio or in the determination or calculation of the equation by which Vanguard Mid-Cap Index Portfolio is to be converted into cash, surrendered or redeemed, as the case may be. Neither CRSP nor the University has any obligation or liability in connection with the administration, marketing or trading of Vanguard Mid-Cap Index Portfolio. There is no assurance that investment products based on the Index will accurately track index performance or provide positive investment returns. Neither CRSP nor the University is an investment advisor. Inclusion of a security within an index is not a recommendation by CRSP or the University to buy, sell, or hold such security, nor is it considered to be investment advice.

NEITHER CRSP NOR THE UNIVERSITY GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. NEITHER CRSP NOR THE UNIVERSITY SHALL BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. NEITHER CRSP NOR THE UNIVERSITY MAKES ANY EXPRESS OR IMPLIED WARRANTIES, AND CRSP AND THE UNIVERSITY EXPRESSLY DISCLAIM ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY VANGUARD, OWNERS OF THE VANGUARD MID-CAP INDEX PORTFOLIO, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL CRSP OR THE UNIVERSITY BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD-PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN CRSP AND VANGUARD, OTHER THAN THE LICENSORS, IF ANY, OF CRSP.

The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 211 Vanguard funds.

Information for each trustee and executive officer of the fund appears below. That information, as well as the Vanguard fund count, is as of the date on the cover of this fund report. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at vanguard.com.

Interested Trustee¹

Mortimer J. Buckley

Born in 1969. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: chairman of the board (2019–present) of Vanguard and of each of the investment companies served by Vanguard; chief executive officer (2018–present) of Vanguard; chief executive officer, president, and trustee (2018–present) of each of the investment companies served by Vanguard; president and director (2017–present) of Vanguard; and president (2018–present) of Vanguard Marketing Corporation. Chief investment officer (2013–2017), managing director (2002–2017), head of the Retail Investor Group (2006–2012), and chief information officer (2001–2006) of Vanguard. Chairman of the board (2011–2017) and trustee (2009–2017) of the Children's Hospital of Philadelphia; and trustee (2018–present) and vice chair (2019–present) of The Shipley School.

Independent Trustees

Emerson U. Fullwood

Born in 1948. Trustee since January 2008. Principal occupation(s) during the past five years and other experience: executive chief staff and marketing officer for North America and corporate vice president (retired 2008) of Xerox Corporation (document management products and services). Former president of the Worldwide Channels Group, Latin America, and Worldwide Customer Service and executive chief staff officer of Developing Markets of Xerox. Executive in residence and 2009–2010 Distinguished Minett Professor at the Rochester Institute of Technology. Director of SPX FLOW, Inc. (multi-industry manufacturing). Director of the University of Rochester Medical Center, the Monroe Community College Foundation, the United Way of Rochester, North Carolina A&T University, and Roberts Wesleyan College. Trustee of the University of Rochester.

Amy Gutmann

Born in 1949. Trustee since June 2006. Principal occupation(s) during the past five years and other experience: president (2004–present) of the University of Pennsylvania. Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and professor of communication, Annenberg School for Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania.

F. Joseph Loughrey

Born in 1949. Trustee since October 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2009) and vice chairman of the board (2008–2009) of Cummins Inc. (industrial machinery). Chairman of the board of Hillenbrand, Inc. (specialized consumer services) and the Lumina Foundation. Director of the V Foundation. Member of the advisory council for the College of Arts and Letters and chair of the advisory board to the Kellogg Institute for International Studies, both at the University of Notre Dame.

Mark Loughridge

Born in 1953. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: senior vice president and chief financial officer (retired 2013) of IBM (information technology services). Fiduciary member of IBM's Retirement Plan Committee (2004–2013), senior vice president and general manager (2002–2004) of IBM Global Financing, vice president and controller (1998–2002) of

IBM, and a variety of other prior management roles at IBM. Member of the Council on Chicago Booth.

Scott C. Malpass

Born in 1962. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: chief investment officer (retired June 2020) and vice president (retired June 2020) of the University of Notre Dame. Assistant professor of finance at the Mendoza College of Business, University of Notre Dame, and member of the Notre Dame 403(b) Investment Committee (retired June 2020). Member of the board of Catholic Investment Services, Inc. (investment advisors) and the board of superintendence of the Institute for the Works of Religion.

Deanna Mulligan

Born in 1963. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: board chair (2020–present), chief executive officer (2011–2020), and president (2010–2019) of The Guardian Life Insurance Company of America. Chief operating officer (2010–2011) and executive vice president (2008–2010) of the individual life and disability division of Guardian Life. Member of the board of the American Council of Life Insurers and the board of the Economic Club of New York. Trustee of the Partnership for New York City (business leadership), Chief Executives for Corporate Purpose, NewYork-Presbyterian Hospital, Catalyst, and the Bruce Museum (arts and science). Member of the Advisory Council for the Stanford Graduate School of Business.

André F. Perold

Born in 1952. Trustee since December 2004. Principal occupation(s) during the past five years and other experience: George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011). Chief investment officer and co-managing partner of HighVista Strategies (private investment firm). Member of the board of advisors and member of the investment committee of the Museum of Fine Arts Boston. Member of the board (2018–present) of RIT Capital Partners (investment firm). Member of the investment committee of Partners Health Care System.

Sarah Bloom Raskin

Born in 1961. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: deputy secretary (2014–2017) of the United States Department of the Treasury. Governor (2010–2014) of the Federal Reserve Board. Commissioner (2007–2010) of financial regulation for the State of Maryland. Member of the board of directors (2012–2014) of Neighborhood Reinvestment Corporation. Director (2017–present) of i(x) Investments, LLC; director (2017–present) of Reserve Trust. Rubenstein Fellow (2017–present) of Duke University; trustee (2017–present) of Amherst College, and trustee (2019–present) of the Folger Shakespeare Library.

Peter F. Volanakis

Born in 1955. Trustee since July 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2010) of Corning Incorporated (communications equipment) and director of Corning Incorporated (2000–2010) and Dow Corning (2001–2010). Director (2012) of SPX Corporation (multi-industry manufacturing). Overseer of the Amos Tuck School of Business Administration, Dartmouth College (2001–2013). Chairman of the board of trustees of Colby-Sawyer College. Member of the board of Hypertherm Inc. (industrial cutting systems, software, and consumables).

¹ Mr. Buckley is considered "interested person," as defined in the Investment Company Act of 1940, because he is an officer of the Vanguard funds.

Executive Officers

John Bendl

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief financial officer (2019–present) of each of the investment companies served by Vanguard. Chief accounting officer, treasurer, and controller of Vanguard (2017–present). Partner (2003–2016) at KPMG (audit, tax, and advisory services).

Christine M. Buchanan

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Treasurer (2017–present) of each of the investment companies served by Vanguard. Partner (2005–2017) at KPMG (audit, tax, and advisory services).

David Cermak

Born in 1960. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present) of each of the investment companies served by Vanguard. Managing director and head (2017–present) of Vanguard Investments Singapore. Managing director and head (2017–2019) of Vanguard Investments Hong Kong. Representative director and head (2014–2017) of Vanguard Investments Japan.

John Galloway

Born in 1973. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Investment stewardship officer (September 2020–present) of each of the investment companies served by Vanguard. Head of Investor Advocacy (February 2020–present) and head of Marketing Strategy and Planning (2017–2020) at Vanguard. Deputy assistant to the President of the United States (2015).

Thomas J. Higgins

Born in 1957. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present), chief financial officer (2008–2019), and treasurer (1998–2008) of each of the investment companies served by Vanguard.

Peter Mahoney

Born in 1974. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Controller (2015–present) of each of the investment companies served by Vanguard. Head of International Fund Services (2008–2014) at Vanguard.

Anne E. Robinson

Born in 1970. Principal occupation(s) during the past five years and other experience: general counsel (2016–present) of Vanguard. Secretary (2016–present) of Vanguard and of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Managing director and general counsel of Global Cards and Consumer Services (2014–2016) at Citigroup. Counsel (2003–2014) at American Express.

Michael Rollings

Born in 1963. Principal occupation(s) during the past five years and other experience: finance director (2017–present) and treasurer (2017) of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Chief financial officer (2016–present) of Vanguard. Director (2016–present) of Vanguard Marketing Corporation. Executive vice president and chief financial officer (2006–2016) of MassMutual Financial Group.

John E. Schadt

Born in 1972. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief compliance officer (2019–present) of Vanguard and of each of the investment companies served by Vanguard. Assistant vice president (2019–present) of Vanguard Marketing Corporation.

Vanguard Senior Management Team

Joseph Brennan
Mortimer J. Buckley
Gregory Davis
John James
John T. Marcante
Chris D. McIsaac

James M. Norris
Thomas M. Rampulla
Karin A. Risi
Anne E. Robinson
Michael Rollings
Lauren Valente



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All comparative mutual fund data are from Lipper, a Thomson Reuters Company, or Morningstar, Inc., unless otherwise noted.

You can obtain a free copy of Vanguard's proxy voting guidelines by visiting vanguard.com/proxyreporting or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, www.sec.gov. In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either vanguard.com/proxyreporting or www.sec.gov.

You can review information about your portfolio on the SEC's website, and you can receive copies of this information, for a fee, by sending a request via email addressed to publicinfo@sec.gov.

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Annual Report | December 31, 2020

Vanguard Variable Insurance Funds

Real Estate Index Portfolio

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Your Portfolio's Performance at a Glance

- For the 12 months ended December 31, 2020, the Real Estate Index Portfolio returned -4.85%, in line with its target benchmark after factoring in the portfolio's expenses.
- The emergence of COVID-19 in early 2020 turned into a global health crisis, and aggressive attempts to contain it resulted in a sharp downturn in economic activity. Unemployment spiked, and sectors where social distancing isn't possible were hit hard. Stocks initially plummeted as infections surged, but they finished the year significantly higher. The gain was thanks in part to rapid and robust monetary and fiscal action by policymakers and the rollout of COVID-19 vaccines as the year drew to a close.
- While the broad U.S. stock market returned about 21%, REITs were among the worst-performing sectors as the pandemic weighed heavily on commercial real estate. Seven of the REIT market's 12 subsectors posted negative returns. Retail REITs and hotel and resort REITs, which depend on physical movement by consumers, were among the subsectors affected most by the pandemic. Office REITs also performed poorly in the remote work environment.
- There were bright spots, however. Industrial REITs, which include warehouse and distribution sites, performed well as stay-at-home consumers shopped more online. REITs that invest in data centers also benefited from increased demand for facilities that house servers and computer equipment.
- Please note that the portfolio's returns are different from those in Vanguard Variable Annuity (and other plans that invest in the portfolio), which take into account insurance-related expenses.
- In January 2021, shareholders approved a Vanguard proxy proposal to reclassify the portfolio's diversification status to "non-diversified" as defined under the Investment Company Act of 1940. While this change provides the portfolio managers with increased investment flexibility and potential for better investment performance, it presents a heightened degree of investment risk due to a non-diversified portfolio's ability to make more concentrated investments.

Market Barometer

	Average Annual Total Returns Periods Ended December 31, 2020		
	One Year	Three Years	Five Years
Stocks			
Russell 1000 Index (Large-caps)	20.96%	14.82%	15.60%
Russell 2000 Index (Small-caps)	19.96	10.25	13.26
Russell 3000 Index (Broad U.S. market)	20.89	14.49	15.43
FTSE All-World ex US Index (International)	11.22	5.18	9.16
Bonds			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	7.51%	5.34%	4.44%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	5.21	4.64	3.91
FTSE Three-Month U.S. Treasury Bill Index	0.58	1.56	1.16
CPI			
Consumer Price Index	1.36%	1.85%	1.95%

About Your Portfolio's Expenses

As a shareholder of the portfolio, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a portfolio's gross income, directly reduce the investment return of the portfolio.

A portfolio's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your portfolio and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your portfolio's costs in two ways:

- **Based on actual portfolio return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the portfolio's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the portfolio. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, 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 given for your portfolio under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your portfolio's costs with those of other mutual funds. It assumes that the portfolio had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the portfolio's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your portfolio's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the portfolio for buying and selling securities. The portfolio's expense ratio does not reflect additional fees and expenses associated with the annuity or life insurance program through which you invest.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the portfolio's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your portfolio's current prospectus.

Six Months Ended December 31, 2020

	Beginning Account Value 6/30/2020	Ending Account Value 12/31/2020	Expenses Paid During Period
Real Estate Index Portfolio			
Based on Actual Portfolio Return	\$1,000.00	\$1,105.90	\$1.38
Based on Hypothetical 5% Yearly Return	1,000.00	1,023.83	1.32

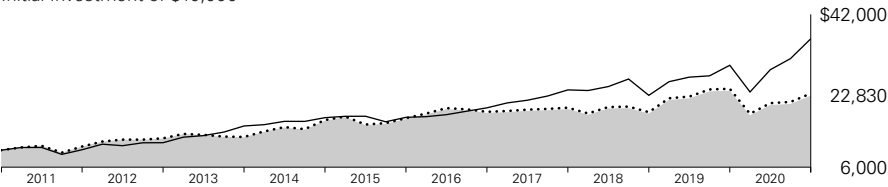
The calculations are based on expenses incurred in the most recent six-month period. The portfolio's annualized six-month expense ratio for that period is 0.26%. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (184/366).

Real Estate Index Portfolio

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the portfolio. (Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on portfolio distributions or on the sale of portfolio shares. Nor do the returns reflect fees and expenses associated with the annuity or life insurance program through which a shareholder invests. If these fees and expenses were included, the portfolio's returns would be lower.

Cumulative Performance: December 31, 2010, Through December 31, 2020
Initial Investment of \$10,000



	Average Annual Total Returns			Final Value of a \$10,000 Investment
	One Year	Five Years	Ten Years	
Real Estate Index Portfolio	-4.85%	5.66%	8.60%	\$22,830
Real Estate Spliced Index	-4.55	5.90	8.85	23,351
Dow Jones U.S. Total Stock Market Float Adjusted Index	20.79	15.36	13.74	36,240

Real Estate Spliced Index: MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; the MSCI US REIT Index through January 18, 2018; and the MSCI US Investable Market Real Estate 25/50 Index thereafter.

Real Estate Index Portfolio

Portfolio Allocation

As of December 31, 2020

Diversified Real Estate Activities	0.2%
Diversified REITs	3.9
Health Care REITs	9.2
Hotel & Resort REITs	3.3
Industrial REITs	11.1
Office REITs	7.9
Real Estate Development	0.3
Real Estate Operating Companies	0.2
Real Estate Services	3.6
Residential REITs	13.9
Retail REITs	9.1
Specialized REITs	37.3

The table reflects the portfolio's investments, except for short-term investments and derivatives. Sector categories are based on the Global Industry Classification Standard ("GICS"), except for the "Other" category (if applicable), which includes securities that have not been provided a GICS classification as of the effective reporting period.

The portfolio may invest in derivatives (such as futures and swap contracts) for various reasons, including, but not limited to, attempting to remain fully invested and tracking its target index as closely as possible.

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard and Poor's, a division of McGraw-Hill Companies, Inc. ("S&P"), and is licensed for use by Vanguard. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classification makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of its affiliates or any third party involved in making or compiling the GICS or any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Financial Statements

Schedule of Investments

As of December 31, 2020

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

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Equity Real Estate Investment Trusts (REITs) (91.4%)					
Diversified REITs (3.7%)					
WP Carey Inc.	151,224	10,674	Rexford Industrial Realty Inc.	107,351	5,272
STORE Capital Corp.	209,373	7,115	EastGroup Properties Inc.	34,147	4,714
VEREIT Inc.	187,205	7,075	First Industrial Realty Trust Inc.	110,508	4,656
PS Business Parks Inc.	17,859	2,373	STAG Industrial Inc.	129,814	4,066
Colony Capital Inc.	418,735	2,014	Terreno Realty Corp.	59,456	3,479
Essential Properties Realty Trust Inc.	81,093	1,719	Innovative Industrial Properties Inc.	18,896	3,461
Washington REIT	72,026	1,558	Lexington Realty Trust	240,024	2,549
Global Net Lease Inc.	78,663	1,348	Monmouth Real Estate Investment Corp.	80,160	1,388
American Assets Trust Inc.	44,782	1,293	Industrial Logistics Properties Trust	57,075	1,329
Empire State Realty Trust Inc. Class A	127,877	1,192			114,353
Alexander & Baldwin Inc.	60,425	1,037	Office REITs (7.5%)		
iStar Inc.	66,123	982	Alexandria Real Estate Equities Inc.	109,567	19,527
Armada Hoffer Properties Inc.	49,399	554	Boston Properties Inc.	128,374	12,135
Gladstone Commercial Corp.	29,132	524	Vornado Realty Trust	141,040	5,267
One Liberty Properties Inc.	14,316	287	Kilroy Realty Corp.	89,932	5,162
		39,745	Douglas Emmett Inc.	152,549	4,451
			Cousins Properties Inc.	129,232	4,329
Health Care REITs (8.8%)			SL Green Realty Corp.	63,869	3,805
Welltower Inc.	362,615	23,432	Highwoods Properties Inc.	90,365	3,581
Ventas Inc.	324,244	15,901	JBG SMITH Properties	104,835	3,278
Healthpeak Properties Inc.	467,255	14,125	Hudson Pacific Properties Inc.	133,531	3,208
Medical Properties Trust Inc.	459,308	10,008	Equity Commonwealth	105,407	2,876
Omega Healthcare Investors Inc.	197,364	7,168	Corporate Office Properties Trust	97,167	2,534
Healthcare Trust of America Inc. Class A	189,745	5,226	Piedmont Office Realty Trust Inc. Class A	109,622	1,779
Healthcare Realty Trust Inc.	118,344	3,503	Brandywine Realty Trust	148,368	1,767
Physicians Realty Trust	181,298	3,227	Easterly Government Properties Inc.	69,452	1,573
Sabra Health Care REIT Inc.	178,227	3,096	Columbia Property Trust Inc.	98,705	1,416
National Health Investors Inc.	38,680	2,676	Paramount Group Inc.	155,537	1,406
CareTrust REIT Inc.	83,385	1,849	Mack-Cali Realty Corp.	78,198	974
LTC Properties Inc.	34,352	1,337	Office Properties Income Trust	42,525	966
Community Healthcare Trust Inc.	18,619	877	Franklin Street Properties Corp.	91,659	401
Diversified Healthcare Trust	204,018	841	City Office REIT Inc.	37,237	364
Universal Health Realty Income Trust	11,219	721			80,799
Global Medical REIT Inc.	38,125	498	Residential REITs (13.2%)		
New Senior Investment Group Inc.	72,012	373	AvalonBay Communities Inc.	122,312	19,623
		94,858	Equity Residential	323,514	19,178
Hotel & Resort REITs (3.2%)			Invitation Homes Inc.	487,209	14,470
Host Hotels & Resorts Inc.	613,182	8,971	Essex Property Trust Inc.	56,594	13,437
MGM Growth Properties LLC Class A	114,603	3,587	Sun Communities Inc.	85,422	12,980
Park Hotels & Resorts Inc.	203,995	3,499	Mid-America Apartment Communities Inc.	99,434	12,597
Ryman Hospitality Properties Inc.	45,525	3,085	UDR Inc.	256,550	9,859
Apple Hospitality REIT Inc.	183,688	2,371	Equity LifeStyle Properties Inc.	150,350	9,526
Pebblebrook Hotel Trust	113,456	2,133	Camden Property Trust	84,702	8,464
Sunstone Hotel Investors Inc.	187,428	2,124	American Homes 4 Rent Class A	245,145	7,354
RLJ Lodging Trust	143,599	2,032	American Campus Communities Inc.	119,574	5,114
Service Properties Trust	143,637	1,650	Apartment Income REIT Corp.	129,021	4,956
Xenia Hotels & Resorts Inc.	99,503	1,512	Independence Realty Trust Inc.	82,831	1,112
DiamondRock Hospitality Co.	174,480	1,439	Centerspace	10,999	777
Summit Hotel Properties Inc.	90,623	817	Front Yard Residential Corp.	47,848	775
Chatham Lodging Trust	40,286	435	NexPoint Residential Trust Inc.	16,671	705
CorePoint Lodging Inc.	35,596	245	Apartment Investment & Management Co. Class A	128,363	678
Hersha Hospitality Trust Class A	30,064	237	UMH Properties Inc.	31,687	469
		34,137	Preferred Apartment Communities Inc. Class A	43,270	320
Industrial REITs (10.6%)					142,394
Prologis Inc.	641,750	63,957	Retail REITs (8.7%)		
Duke Realty Corp.	322,121	12,875	Simon Property Group Inc.	282,547	24,096
Americold Realty Trust	176,986	6,607	Realty Income Corp.	299,844	18,641
			Regency Centers Corp.	147,105	6,706
			National Retail Properties Inc.	150,488	6,158

Real Estate Index Portfolio

	Shares	Market Value* (\$000)
Kimco Realty Corp.	375,149	5,631
Federal Realty Investment Trust	62,321	5,305
Brixmor Property Group Inc.	258,013	4,270
Spirit Realty Capital Inc.	89,215	3,584
Agree Realty Corp.	46,701	3,110
Weingarten Realty Investors	105,400	2,284
Retail Properties of America Inc. Class A	186,590	1,597
Retail Opportunity Investments Corp.	103,024	1,379
SITE Centers Corp.	134,718	1,363
Urban Edge Properties	100,582	1,301
Kite Realty Group Trust	72,546	1,085
Acadia Realty Trust	74,262	1,054
¹ Macerich Co.	98,465	1,051
Getty Realty Corp.	30,601	843
¹ Tanger Factory Outlet Centers Inc.	80,149	798
American Finance Trust Inc.	93,084	692
RPT Realty	69,087	598
Alexander's Inc.	1,971	547
^{*,1} Seritage Growth Properties Class A	31,477	462
Saul Centers Inc.	12,088	383
Urstadt Biddle Properties Inc. Class A	25,881	366
Whitestone REIT	32,442	259
Retail Value Inc.	14,508	216
¹ Washington Prime Group Inc.	17,526	114
^{*,2} Spirit MTA REIT	42,040	11
		93,904
Specialized REITs (35.7%)		
American Tower Corp.	385,298	86,484
Crown Castle International Corp.	374,629	59,637
Equinix Inc.	46,918	33,508
Digital Realty Trust Inc.	233,664	32,598
Public Storage	136,641	31,555
SBA Communications Corp. Class A	97,230	27,431
Weyerhaeuser Co.	648,423	21,742
Extra Space Storage Inc.	112,192	12,999
VICI Properties Inc.	463,247	11,813
Gaming & Leisure Properties Inc.	184,379	7,818
CyrusOne Inc.	101,538	7,427
Iron Mountain Inc.	250,489	7,384
Lamar Advertising Co. Class A	75,139	6,253
CubeSmart	167,984	5,646
Life Storage Inc.	40,736	4,863
CoreSite Realty Corp.	36,957	4,630
Rayonier Inc.	119,056	3,498
QTS Realty Trust Inc. Class A	53,139	3,288
PotlatchDeltic Corp.	58,347	2,919
Outfront Media Inc.	125,116	2,447
National Storage Affiliates Trust	59,689	2,151
EPR Properties	64,726	2,104
Uniti Group Inc.	160,374	1,881
Four Corners Property Trust Inc.	61,309	1,825
GEO Group Inc.	106,837	947
Safehold Inc.	10,956	794
CatchMark Timber Trust Inc. Class A	41,580	389
CoreCivic Inc.	14,850	97
		384,128
Total Equity Real Estate Investment Trusts (REITs) (Cost \$1,018,011)		984,318
Real Estate Management & Development (4.1%)		
Diversified Real Estate Activities (0.2%)		
St. Joe Co.	28,421	1,207

	Shares	Market Value* (\$000)
RMR Group Inc. Class A	13,107	506
* Tejon Ranch Co.	18,898	273
* Five Point Holdings LLC Class A	44,312	242
		2,228
Real Estate Development (0.3%)		
* Howard Hughes Corp.	35,973	2,839
* Forestar Group Inc.	14,519	293
		3,132
Real Estate Operating Companies (0.2%)		
Kennedy-Wilson Holdings Inc.	112,344	2,010
* FRP Holdings Inc.	4,715	214
		2,224
Real Estate Services (3.4%)		
* CBRE Group Inc. Class A	291,419	18,278
* Jones Lang LaSalle Inc.	44,912	6,664
* Redfin Corp.	81,948	5,624
* eXp World Holdings Inc.	23,820	1,503
* Cushman & Wakefield plc	96,522	1,431
* Realogy Holdings Corp.	99,434	1,305
Newmark Group Inc. Class A	132,089	963
* Marcus & Millichap Inc.	20,227	753
RE/MAX Holdings Inc. Class A	15,546	565
* Altisource Portfolio Solutions SA	4,880	63
		37,149
Total Real Estate Management & Development (Cost \$39,346)		44,733
Temporary Cash Investments (2.4%)		
Money Market Fund (2.4%)		
^{3,4} Vanguard Market Liquidity Fund, 0.111 %	253,909	25,391
	Face Amount (\$000)	
U.S. Government and Agency Obligations (0.0%)		
⁵ United States Treasury Bill, 0.095%, 1/28/21	189	189
Total Temporary Cash Investments (Cost \$25,582)		25,580
Total Investments (97.9%) (Cost \$1,082,939)		1,054,631
Other Assets and Liabilities—Net (2.1%)		22,476
Net Assets (100%)		1,077,107

Cost is in \$000.

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

¹ Includes partial security positions on loan to broker-dealers. The total value of securities on loan is \$1,819,000.

² Security value determined using significant unobservable inputs.

³ Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.

⁴ Collateral of \$1,930,000 was received for securities on loan.

⁵ Securities with a value of \$82,000 have been segregated as initial margin for open futures contracts. REIT—Real Estate Investment Trust.

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

				(\$000)
	Expiration	Number of Long (Short) Contracts	Notional Amount	Value and Unrealized Appreciation (Depreciation)
Long Futures Contracts				
Dow Jones U.S. Real Estate Index	March 2021	33	1,105	29

Over-the-Counter Total Return Swaps

Reference Entity	Termination Date	Counterparty	Notional Amount (\$000)	Floating Interest Rate Received (Paid) ¹ (%)	Value and Unrealized Appreciation (\$000)	Value and Unrealized (Depreciation) (\$000)
Equinix Inc.	2/2/21	GSI	20,869	(0.153)	552	—

¹ Based on 1M USD London Interbank Offered Rate (LIBOR) as of the most recent payment date. Floating interest payment received/paid monthly.

1M—1-month

GSI—Goldman Sachs International.

At December 31, 2020, the counterparties had deposited in segregated accounts securities with a value of \$546,000 in connection with open over-the-counter swap contracts.

Statement of Assets and Liabilities

As of December 31, 2020

(\$000s, except shares and per-share amounts)	Amount
Assets	
Investments in Securities, at Value	
Unaffiliated Issuers (Cost \$1,057,546)	1,029,240
Affiliated Issuers (Cost \$25,393)	25,391
Total Investments in Securities	1,054,631
Investment in Vanguard	40
Receivables for Investment Securities Sold	702
Receivables for Accrued Income	4,329
Receivables for Capital Shares Issued	25,683
Variation Margin Receivable—Futures Contracts	11
Unrealized Appreciation—Over-the-Counter Swap Contracts	552
Total Assets	1,085,948
Liabilities	
Payables for Investment Securities Purchased	6,389
Collateral for Securities on Loan	1,930
Payables for Capital Shares Redeemed	375
Payables to Vanguard	147
Total Liabilities	8,841
Net Assets	1,077,107

At December 31, 2020, net assets consisted of:

Paid-in Capital	1,046,650
Total Distributable Earnings (Loss)	30,457
Net Assets	1,077,107

Net Assets	
Applicable to 86,649,376 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	1,077,107
Net Asset Value Per Share	\$12.43

Statement of Operations

	Year Ended December 31, 2020
	(\$000)
Investment Income	
Income	
Dividends	25,097
Interest ¹	46
Securities Lending—Net	136
Total Income	25,279
Expenses	
The Vanguard Group—Note B	
Investment Advisory Services	155
Management and Administrative	2,364
Marketing and Distribution	96
Custodian Fees	12
Auditing Fees	34
Shareholders' Reports and Proxy Fees	19
Trustees' Fees and Expenses	1
Total Expenses	2,681
Net Investment Income	22,598
Realized Net Gain (Loss)	
Capital Gain Distributions Received	9,165
Investment Securities Sold ¹	23,994
Futures Contracts	(391)
Swap Contracts	3,743
Realized Net Gain (Loss)	36,511
Change in Unrealized Appreciation (Depreciation)	
Investment Securities ¹	(133,339)
Futures Contracts	(56)
Swap Contracts	552
Change in Unrealized Appreciation (Depreciation)	(132,843)
Net Increase (Decrease) in Net Assets Resulting from Operations	(73,734)

¹ Interest income, realized net gain (loss), and change in unrealized appreciation (depreciation) from an affiliated company of the portfolio were \$45,000, \$14,000, and (\$2,000), respectively. Purchases and sales are for temporary cash investment purposes.

Statement of Changes in Net Assets

	Year Ended December 31,	
	2020 (\$000)	2019 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	22,598	29,148
Realized Net Gain (Loss)	36,511	17,588
Change in Unrealized Appreciation (Depreciation)	(132,843)	230,170
Net Increase (Decrease) in Net Assets Resulting from Operations	(73,734)	276,906
Distributions¹		
Total Distributions	(44,948)	(85,887)
Capital Share Transactions		
Issued	151,575	159,509
Issued in Lieu of Cash Distributions	44,948	85,887
Redeemed	(243,185)	(159,033)
Net Increase (Decrease) from Capital Share Transactions	(46,662)	86,363
Total Increase (Decrease)	(165,344)	277,382
Net Assets		
Beginning of Period	1,242,451	965,069
End of Period	1,077,107	1,242,451

¹ Certain prior-period numbers have been reclassified to conform with the current-period presentation.

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended December 31,				
	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$13.74	\$11.57	\$13.14	\$13.48	\$13.77
Investment Operations					
Net Investment Income	.259 ¹	.329 ¹	.367 ¹	.375 ¹	.346
Net Realized and Unrealized Gain (Loss) on Investments	(1.054)	2.874	(1.084)	.220	.734
Total from Investment Operations	(.795)	3.203	(.717)	.595	1.080
Distributions					
Dividends from Net Investment Income	(.316)	(.368)	(.383)	(.336)	(.375)
Distributions from Realized Capital Gains	(.199)	(.665)	(.470)	(.599)	(.995)
Total Distributions	(.515)	(1.033)	(.853)	(.935)	(1.370)
Net Asset Value, End of Period	\$12.43	\$13.74	\$11.57	\$13.14	\$13.48
Total Return	-4.85%	28.81%	-5.35%	4.78%	8.36%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$1,077	\$1,242	\$965	\$1,077	\$1,093
Ratio of Total Expenses to Average Net Assets	0.26%	0.26%	0.26%	0.27%	0.27%
Ratio of Net Investment Income to Average Net Assets	2.19%	2.52%	3.04%	2.87%	2.55%
Portfolio Turnover Rate	10%	7%	35%	10%	14%

¹ Calculated based on average shares outstanding.

Notes to Financial Statements

The Real Estate Index Portfolio, a portfolio of Vanguard Variable Insurance Funds, is registered under the Investment Company Act of 1940 as an open-end investment company. The portfolio's shares are only available for purchase by separate accounts of insurance companies as investments for variable annuity plans, variable life insurance contracts, or other variable benefit insurance contracts. Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the portfolio and thus portfolio performance.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The portfolio consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been materially affected by events occurring before the portfolio's pricing time but after the close of the securities' primary markets, are valued by methods deemed by the board of trustees to represent fair value. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services.

2. **Futures Contracts:** The portfolio uses index futures contracts to a limited extent, with the objectives of maintaining full exposure to the stock market, maintaining liquidity, and minimizing transaction costs. The portfolio may purchase futures contracts to immediately invest incoming cash in the market, or sell futures in response to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the portfolio and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the portfolio trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the portfolio's performance and requires daily settlement of variation margin representing changes in the market value of each contract. Any securities pledged as initial margin for open contracts are noted in the Schedule of Investments.

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures contracts.

During the year ended December 31, 2020, the portfolio's average investments in long and short futures contracts represented less than 1% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **Swap Contracts:** The portfolio has entered into equity swap contracts to earn the total return on selected reference stocks in the portfolio's target index. Under the terms of the swaps, the portfolio receives the total return on the referenced stock (i.e., receiving the increase or paying the decrease in value of the selected reference stock and receiving the equivalent of any dividends in respect of the selected referenced stock) over a specified period of time, applied to a notional amount that represents the value of a designated number of shares of the selected reference stock at the beginning of the equity swap contract. The portfolio also pays a floating rate that is based on short-term interest rates, applied to the notional amount. At the same time, the portfolio generally invests an amount approximating the notional amount of the swap in high-quality temporary cash investments.

A risk associated with all types of swaps is the possibility that a counterparty may default on its obligation to pay net amounts due to the portfolio. The portfolio's maximum amount subject to counterparty risk is the unrealized appreciation on the swap contract. The portfolio mitigates its counterparty risk by entering into swaps only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the portfolio cannot be repledged, resold, or

rehypothecated. In the event of a counterparty's default (including bankruptcy), the portfolio may terminate any swap contracts with that counterparty, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the portfolio under the master netting arrangements. The swap contracts contain provisions whereby a counterparty may terminate open contracts if the portfolio's net assets decline below a certain level, triggering a payment by the portfolio if the portfolio is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the portfolio has pledged. Any securities pledged as collateral for open contracts are noted in the Schedule of Investments. The value of collateral received or pledged is compared daily to the value of the swap contracts exposure with each counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

The notional amounts of swap contracts are not recorded in the Statement of Assets and Liabilities. Swaps are valued daily based on market quotations received from independent pricing services or recognized dealers and the change in value is recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until periodic payments are made or the termination of the swap, at which time realized gain (loss) is recorded.

During the year ended December 31, 2020, the portfolio's average amounts of investments in total return swaps represented 2% of net assets, based on the average of notional amounts at each quarter-end during the period.

4. Distributions: Distributions to shareholders are recorded on the ex-dividend date. Distributions are determined on a tax basis at the fiscal year-end and may differ from net investment income and realized capital gains for financial reporting purposes.

5. Securities Lending: To earn additional income, the portfolio lends its securities to qualified institutional borrowers. Security loans are subject to termination by the portfolio at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled before the opening of the market on the next business day. The portfolio further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the portfolio; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the event of a default, the portfolio may experience delays and costs in recovering the securities loaned. The portfolio invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Assets and Liabilities for the return of the collateral, during the period the securities are on loan. Collateral investments in Vanguard Market Liquidity Fund are subject to market appreciation or depreciation. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the portfolio is entitled to all distributions made on or in respect of the loaned securities.

6. Credit Facilities and Interfund Lending Program: The portfolio and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$4.3 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement and an uncommitted credit facility provided by Vanguard. Both facilities may be renewed annually. Each fund is individually liable for its borrowings, if any, under the credit facilities. Borrowings may be utilized for temporary or emergency purposes, subject to the portfolio's regulatory and contractual borrowing restrictions. With respect to the committed credit facility, the participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn committed amount of the facility; these fees are allocated to the funds based on a method approved by the portfolio's board of trustees and included in Management and Administrative expenses on the portfolio's Statement of Operations. Any borrowings under either facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate (or an acceptable alternate rate, if necessary), federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread, except that borrowings under the uncommitted credit facility may bear interest based upon an alternative rate agreed to by the portfolio and Vanguard.

In accordance with an exemptive order (the "Order") from the SEC, the portfolio may participate in a joint lending and borrowing program that allows registered open-end Vanguard funds to borrow money from and lend money to each other for temporary or emergency purposes (the "Interfund

Lending Program”), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the portfolio’s investment objective and investment policies. Interfund loans and borrowings normally extend overnight, but can have a maximum duration of seven days. Loans may be called on one business day’s notice. The interest rate to be charged is governed by the conditions of the Order and internal procedures adopted by the board of trustees. The board of trustees is responsible for overseeing the Interfund Lending Program.

For the year ended December 31, 2020, the portfolio did not utilize the credit facilities or the Interfund Lending Program.

7. Other: Distributions received from investment securities are recorded on the ex-dividend date. Each investment security reports annually the tax character of its distributions. Dividend income, capital gain distributions received, and unrealized appreciation (depreciation) reflect the amounts of taxable income, capital gain, and return of capital reported by the investment securities, and management’s estimates of such amounts for investment security distributions for which actual information has not been reported. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for premiums on certain callable debt securities that are amortized to the earliest call date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. In accordance with the terms of a Funds’ Service Agreement (the “FSA”) between Vanguard and the portfolio, Vanguard furnishes to the portfolio investment advisory, corporate management, administrative, marketing, and distribution services at Vanguard’s cost of operations (as defined by the FSA). These costs of operations are allocated to the portfolio based on methods and guidelines approved by the board of trustees and are generally settled twice a month.

Upon the request of Vanguard, the portfolio may invest up to 0.40% of its net assets as capital in Vanguard. At December 31, 2020, the portfolio had contributed to Vanguard capital in the amount of \$40,000, representing less than 0.01% of the portfolio’s net assets and 0.02% of Vanguard’s capital received pursuant to the FSA. The portfolio’s trustees and officers are also directors and employees, respectively, of Vanguard.

C. Various inputs may be used to determine the value of the portfolio’s investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

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

Level 3—Significant unobservable inputs (including the portfolio’s own assumptions used to determine the fair value of investments). Any investments and derivatives valued with significant unobservable inputs are noted on the Schedule of Investments.

The following table summarizes the market value of the portfolio’s investments and derivatives as of December 31, 2020, based on the inputs used to value them:

	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
Investments				
Assets				
Common Stocks	1,029,040	—	11	1,029,051
Temporary Cash Investments	25,391	189	—	25,580
Total	1,054,431	189	11	1,054,631
Derivative Financial Instruments				
Assets				
Futures Contracts ¹	12	—	—	12
Swap Contracts	—	552	—	552
Total	12	552	—	564

¹ Represents variation margin on the last day of the reporting period.

D. Permanent differences between book-basis and tax-basis components of net assets, if any, are reclassified among capital accounts in the financial statements to reflect their tax character. These reclassifications have no effect on net assets or net asset value per share.

Temporary differences between book-basis and tax-basis components of total distributable earnings (losses) arise when certain items of income, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. The differences are primarily related to the deferral of losses from wash sales; and the recognition of unrealized gains or losses from certain derivative contracts. As of period end, the tax-basis components of total distributable earnings (losses) are detailed in the table as follows:

	Amount (\$000)
Undistributed Ordinary Income	24,144
Undistributed Long-Term Gains	33,530
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Net Unrealized Gains (Losses)	(29,128)

The tax character of distributions paid was as follows:

	Year Ended December 31,	
	2020 Amount (\$000)	2019 Amount (\$000)
Ordinary Income	28,768	37,050
Long-Term Capital Gains	16,180	48,837
Total	44,948	85,887

As of December 31, 2020, gross unrealized appreciation and depreciation for investments and derivatives based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	1,083,759
Gross Unrealized Appreciation	177,843
Gross Unrealized Depreciation	(206,971)
Net Unrealized Appreciation (Depreciation)	(29,128)

E. During the year ended December 31, 2020, the portfolio purchased \$102,182,000 of investment securities and sold \$197,857,000 of investment securities, other than temporary cash investments.

F. Capital shares issued and redeemed were:

	Year Ended December 31,	
	2020 Shares (000)	2019 Shares (000)
Issued	12,842	12,229
Issued in Lieu of Cash Distributions	4,527	7,040
Redeemed	(21,151)	(12,225)
Net Increase (Decrease) in Shares Outstanding	(3,782)	7,044

At December 31, 2020, one shareholder (an insurance company separate account whose holdings in the portfolio represent the indirect investment of Vanguard Variable Annuity contract holders) was the record or beneficial owner of 42% of the portfolio's net assets. If this shareholder were to redeem its investment in the portfolio, the redemption might result in an increase in the portfolio's expense ratio, cause the portfolio to incur higher transaction costs, or lead to the realization of taxable gains.

G. Management has determined that no events or transactions occurred subsequent to December 31, 2020, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Variable Insurance Funds and Shareholders of Real Estate Index Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Real Estate Index Portfolio (one of the portfolios constituting Vanguard Variable Insurance Funds, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent; 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
Philadelphia, Pennsylvania
February 18, 2021

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Special 2020 tax information (unaudited) for corporate shareholders only for Real Estate Index Portfolio, a portfolio of Vanguard Variable Insurance Funds

This information for the fiscal year ended December 31, 2020, is included pursuant to provisions of the Internal Revenue Code for corporate shareholders only.

The portfolio distributed \$16,180,000 as capital gain dividends (from net long-term capital gains) to shareholders during the fiscal year. The portfolio designates \$13,883,000 of its capital gain dividends as 20% rate gain distributions and \$2,297,000 as unrecaptured section 1250 gain distributions (25% rate gain).

THESE FUNDS ARE NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY MSCI INC. ("MSCI"), ANY OF ITS AFFILIATES, ANY OF ITS DIRECT OR INDIRECT INFORMATION PROVIDERS OR ANY OTHER THIRD PARTY INVOLVED IN, OR RELATED TO, COMPILING, COMPUTING OR CREATING ANY MSCI INDEX (COLLECTIVELY, THE "MSCI PARTIES"). THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES ARE SERVICE MARK(S) OF MSCI OR ITS AFFILIATES AND HAVE BEEN LICENSED FOR USE FOR CERTAIN PURPOSES BY VANGUARD. NONE OF THE MSCI PARTIES MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE OWNERS OF THESE FUNDS OR ANY MEMBER OF THE PUBLIC REGARDING THE ADVISABILITY OF INVESTING IN FUNDS GENERALLY OR IN THESE FUNDS PARTICULARLY OR THE ABILITY OF ANY MSCI INDEX TO TRACK CORRESPONDING STOCK MARKET PERFORMANCE. MSCI OR ITS AFFILIATES ARE THE LICENSORS OF CERTAIN TRADEMARKS, SERVICE MARKS AND TRADE NAMES AND OF THE MSCI INDEXES WHICH ARE DETERMINED, COMPOSED AND CALCULATED BY MSCI WITHOUT REGARD TO THESE FUNDS OR THE ISSUER OR OWNER OF THESE FUNDS. NONE OF THE MSCI PARTIES HAS ANY OBLIGATION TO TAKE THE NEEDS OF THE ISSUERS OR OWNERS OF THESE FUNDS INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE MSCI INDEXES. NONE OF THE MSCI PARTIES IS RESPONSIBLE FOR OR HAS PARTICIPATED IN THE DETERMINATION OF THE TIMING OF, PRICES AT, OR QUANTITIES OF THESE FUNDS TO BE ISSUED OR IN THE DETERMINATION OR CALCULATION OF THE CONSIDERATION INTO WHICH THESE FUNDS ARE REDEEMABLE. NONE OF THE MSCI PARTIES HAS ANY OBLIGATION OR LIABILITY TO THE OWNERS OF THESE FUNDS IN CONNECTION WITH THE ADMINISTRATION, MARKETING OR OFFERING OF THESE FUNDS.

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The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 211 Vanguard funds.

Information for each trustee and executive officer of the fund appears below. That information, as well as the Vanguard fund count, is as of the date on the cover of this fund report. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at vanguard.com.

Interested Trustee¹

Mortimer J. Buckley

Born in 1969. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: chairman of the board (2019–present) of Vanguard and of each of the investment companies served by Vanguard; chief executive officer (2018–present) of Vanguard; chief executive officer, president, and trustee (2018–present) of each of the investment companies served by Vanguard; president and director (2017–present) of Vanguard; and president (2018–present) of Vanguard Marketing Corporation. Chief investment officer (2013–2017), managing director (2002–2017), head of the Retail Investor Group (2006–2012), and chief information officer (2001–2006) of Vanguard. Chairman of the board (2011–2017) and trustee (2009–2017) of the Children's Hospital of Philadelphia; and trustee (2018–present) and vice chair (2019–present) of The Shipley School.

Independent Trustees

Emerson U. Fullwood

Born in 1948. Trustee since January 2008. Principal occupation(s) during the past five years and other experience: executive chief staff and marketing officer for North America and corporate vice president (retired 2008) of Xerox Corporation (document management products and services). Former president of the Worldwide Channels Group, Latin America, and Worldwide Customer Service and executive chief staff officer of Developing Markets of Xerox. Executive in residence and 2009–2010 Distinguished Minett Professor at the Rochester Institute of Technology. Director of SPX FLOW, Inc. (multi-industry manufacturing). Director of the University of Rochester Medical Center, the Monroe Community College Foundation, the United Way of Rochester, North Carolina A&T University, and Roberts Wesleyan College. Trustee of the University of Rochester.

Amy Gutmann

Born in 1949. Trustee since June 2006. Principal occupation(s) during the past five years and other experience: president (2004–present) of the University of Pennsylvania. Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and professor of communication, Annenberg School for Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania.

F. Joseph Loughrey

Born in 1949. Trustee since October 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2009) and vice chairman of the board (2008–2009) of Cummins Inc. (industrial machinery). Chairman of the board of Hillenbrand, Inc. (specialized consumer services) and the Lumina Foundation. Director of the V Foundation. Member of the advisory council for the College of Arts and Letters and chair of the advisory board to the Kellogg Institute for International Studies, both at the University of Notre Dame.

Mark Loughridge

Born in 1953. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: senior vice president and chief financial officer (retired 2013) of IBM (information technology services). Fiduciary member of IBM's Retirement Plan Committee (2004–2013), senior vice president and general manager (2002–2004) of IBM Global Financing, vice president and controller (1998–2002) of

IBM, and a variety of other prior management roles at IBM. Member of the Council on Chicago Booth.

Scott C. Malpass

Born in 1962. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: chief investment officer (retired June 2020) and vice president (retired June 2020) of the University of Notre Dame. Assistant professor of finance at the Mendoza College of Business, University of Notre Dame, and member of the Notre Dame 403(b) Investment Committee (retired June 2020). Member of the board of Catholic Investment Services, Inc. (investment advisors) and the board of superintendence of the Institute for the Works of Religion.

Deanna Mulligan

Born in 1963. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: board chair (2020–present), chief executive officer (2011–2020), and president (2010–2019) of The Guardian Life Insurance Company of America. Chief operating officer (2010–2011) and executive vice president (2008–2010) of the individual life and disability division of Guardian Life. Member of the board of the American Council of Life Insurers and the board of the Economic Club of New York. Trustee of the Partnership for New York City (business leadership), Chief Executives for Corporate Purpose, NewYork-Presbyterian Hospital, Catalyst, and the Bruce Museum (arts and science). Member of the Advisory Council for the Stanford Graduate School of Business.

André F. Perold

Born in 1952. Trustee since December 2004. Principal occupation(s) during the past five years and other experience: George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011). Chief investment officer and co-managing partner of HighVista Strategies (private investment firm). Member of the board of advisors and member of the investment committee of the Museum of Fine Arts Boston. Member of the board (2018–present) of RIT Capital Partners (investment firm). Member of the investment committee of Partners Health Care System.

Sarah Bloom Raskin

Born in 1961. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: deputy secretary (2014–2017) of the United States Department of the Treasury. Governor (2010–2014) of the Federal Reserve Board. Commissioner (2007–2010) of financial regulation for the State of Maryland. Member of the board of directors (2012–2014) of Neighborhood Reinvestment Corporation. Director (2017–present) of i(x) Investments, LLC; director (2017–present) of Reserve Trust. Rubenstein Fellow (2017–present) of Duke University; trustee (2017–present) of Amherst College, and trustee (2019–present) of the Folger Shakespeare Library.

Peter F. Volanakis

Born in 1955. Trustee since July 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2010) of Corning Incorporated (communications equipment) and director of Corning Incorporated (2000–2010) and Dow Corning (2001–2010). Director (2012) of SPX Corporation (multi-industry manufacturing). Overseer of the Amos Tuck School of Business Administration, Dartmouth College (2001–2013). Chairman of the board of trustees of Colby-Sawyer College. Member of the board of Hypertherm Inc. (industrial cutting systems, software, and consumables).

¹ Mr. Buckley is considered "interested person," as defined in the Investment Company Act of 1940, because he is an officer of the Vanguard funds.

Executive Officers

John Bendl

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief financial officer (2019–present) of each of the investment companies served by Vanguard. Chief accounting officer, treasurer, and controller of Vanguard (2017–present). Partner (2003–2016) at KPMG (audit, tax, and advisory services).

Christine M. Buchanan

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Treasurer (2017–present) of each of the investment companies served by Vanguard. Partner (2005–2017) at KPMG (audit, tax, and advisory services).

David Cermak

Born in 1960. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present) of each of the investment companies served by Vanguard. Managing director and head (2017–present) of Vanguard Investments Singapore. Managing director and head (2017–2019) of Vanguard Investments Hong Kong. Representative director and head (2014–2017) of Vanguard Investments Japan.

John Galloway

Born in 1973. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Investment stewardship officer (September 2020–present) of each of the investment companies served by Vanguard. Head of Investor Advocacy (February 2020–present) and head of Marketing Strategy and Planning (2017–2020) at Vanguard. Deputy assistant to the President of the United States (2015).

Thomas J. Higgins

Born in 1957. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present), chief financial officer (2008–2019), and treasurer (1998–2008) of each of the investment companies served by Vanguard.

Peter Mahoney

Born in 1974. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Controller (2015–present) of each of the investment companies served by Vanguard. Head of International Fund Services (2008–2014) at Vanguard.

Anne E. Robinson

Born in 1970. Principal occupation(s) during the past five years and other experience: general counsel (2016–present) of Vanguard. Secretary (2016–present) of Vanguard and of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Managing director and general counsel of Global Cards and Consumer Services (2014–2016) at Citigroup. Counsel (2003–2014) at American Express.

Michael Rollings

Born in 1963. Principal occupation(s) during the past five years and other experience: finance director (2017–present) and treasurer (2017) of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Chief financial officer (2016–present) of Vanguard. Director (2016–present) of Vanguard Marketing Corporation. Executive vice president and chief financial officer (2006–2016) of MassMutual Financial Group.

John E. Schadt

Born in 1972. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief compliance officer (2019–present) of Vanguard and of each of the investment companies served by Vanguard. Assistant vice president (2019–present) of Vanguard Marketing Corporation.

Vanguard Senior Management Team

Joseph Brennan
Mortimer J. Buckley
Gregory Davis
John James
John T. Marcante
Chris D. McIsaac

James M. Norris
Thomas M. Rampulla
Karin A. Risi
Anne E. Robinson
Michael Rollings
Lauren Valente



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All comparative mutual fund data are from Lipper, a Thomson Reuters Company, or Morningstar, Inc., unless otherwise noted.

You can obtain a free copy of Vanguard's proxy voting guidelines by visiting vanguard.com/proxyreporting or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, www.sec.gov. In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either vanguard.com/proxyreporting or www.sec.gov.

You can review information about your portfolio on the SEC's website, and you can receive copies of this information, for a fee, by sending a request via email addressed to publicinfo@sec.gov.

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Annual Report | December 31, 2020

Vanguard Variable Insurance Funds

Small Company Growth Portfolio

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Your Portfolio's Performance at a Glance

- For the 12 months ended December 31, 2020, the Small Company Growth Portfolio of Vanguard Variable Insurance Fund returned 23.18%. It lagged the 40.47% return of its benchmark, the Russell 2500 Growth Index.
- Stocks finished the year significantly higher, thanks in part to rapid and robust monetary and fiscal action by policymakers and the rollout of COVID-19 vaccines at the end of the year.
- Selection in information technology, consumer discretionary, health care, and industrials weighed on results the most. Our selection in communication services as well as our underweight positions in materials and real estate contributed most to relative performance.
- For the decade ended December 31, the fund produced an average annual return of 13.53%, below that of its benchmark.
- Please note that the portfolio returns in Vanguard Variable Insurance Fund are different from those in Vanguard Variable Annuity (and other plans that invest in the fund), which take into account insurance-related expenses.

Market Barometer

	Average Annual Total Returns Periods Ended December 31, 2020		
	One Year	Three Years	Five Years
Stocks			
Russell 1000 Index (Large-caps)	20.96%	14.82%	15.60%
Russell 2000 Index (Small-caps)	19.96	10.25	13.26
Russell 3000 Index (Broad U.S. market)	20.89	14.49	15.43
FTSE All-World ex US Index (International)	11.22	5.18	9.16
Bonds			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	7.51%	5.34%	4.44%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	5.21	4.64	3.91
FTSE Three-Month U.S. Treasury Bill Index	0.58	1.56	1.16
CPI			
Consumer Price Index	1.36%	1.85%	1.95%

Advisors' Report

The Small Company Growth Portfolio returned 23.18% for the 12 months ended December 31, 2020. It lagged the 40.47% return of its benchmark, the Russell 2500 Growth Index.

The portfolio is managed by two independent advisors, a strategy that enhances diversification by providing exposure to distinct yet complementary investment approaches. It is not uncommon for different advisors to have different views about individual securities or the broader investment environment.

The advisors, the amount and percentage of the portfolio's assets each manages, and brief descriptions of their investment strategies are presented in the accompanying table. Each advisor has also prepared a discussion of the investment environment that existed during the 12 months and its effect on the portfolio's positioning. These comments were prepared on January 20, 2021.

Vanguard Quantitative Equity Group Portfolio Managers:

James P. Stetler

Binbin Guo, Principal, Head of
Alpha Equity Investments

The investment environment

The emergence of COVID-19 in early 2020 turned into a global health crisis, and aggressive attempts to contain it resulted in a sharp downturn in economic activity. Unemployment spiked, and sectors where social distancing isn't possible were hit hard.

Stocks initially plummeted as infections surged, but they finished the year significantly higher, thanks in part to rapid and robust monetary and fiscal action by policymakers and the rollout of COVID-19 vaccines as the year drew to a close. The Standard & Poor's 500 Index returned 18.40% for the 12 months ended December 31, 2020, while the FTSE Global All-Cap ex US Index returned 11.24%.

The broad fixed income markets generated positive returns as many central banks slashed short-term interest rates and expanded or extended asset-purchase programs.

Investment objective and strategy

Although our portion of the portfolio's overall performance was affected by the macroeconomic factors we've described, our approach to investing focuses on specific stock fundamentals that we believe are more likely to produce outperformance over the long run. Those fundamentals include: high quality, management decisions, consistent earnings growth, strong market sentiment, and reasonable valuation.

Using these five themes, we generate a composite stock ranking, seeking to capitalize on investor biases. We then monitor our portfolio based on those rankings and adjust when appropriate to maximize expected return while minimizing exposure to risks that our research indicates do not improve returns (such as industry selection and other risks relative to our benchmark).

Our successes and shortfalls

Over the 12 months, our quality, growth, and management decisions models detracted from performance. Our sentiment model produced gains, and our valuation model was roughly neutral. Results lagged the benchmark in nine of 11 industry sectors, with communication services and materials producing positive results. Health care, industrials, and information technology detracted most from relative performance.

At the individual stock level, underweight allocations to Dexcom in health care and DocuSign in information technology were among the biggest detractors, as were overweights to Esperion Therapeutics in health care and Spirit AeroSystems and Huntington Ingalls in industrials. The strongest results came from overweighting communication services

companies TechTarget, Zynga, and Match Group. Our positions in materials companies Scotts Miracle-Gro and W.R. Grace also aided results.

We continue to believe that a portfolio focused on fundamentals will benefit investors over the long term, although we recognize that the market can reward or punish us in the near term. We believe our portfolio offers a strong mix of stocks with attractive valuations and high-quality, consistent earnings characteristics.

ArrowMark Partners Portfolio Managers:

Chad Meade, Partner

Brian Schaub, CFA, Partner

Investment environment

Through the first couple of weeks of 2020, equities extended their long bull run as the outlook for the global economy continued to brighten. This exuberance ended abruptly in late February, as the novel coronavirus that originated in China began to spread globally, requiring quarantines that shut down entire economies.

In response to stay-at-home orders, businesses shuttered their doors, ultimately resulting in more than 40 million Americans filing for unemployment. In the U.S., Congress passed a \$2.2 trillion relief package in March, while the Federal Reserve responded with unprecedented monetary stimulus. Equity markets rose significantly through the end of the year as election uncertainty cleared, COVID-19 vaccines from Moderna and Pfizer-BioNTech began to be administered, and Congress passed a second relief package aimed at small businesses and individuals.

Investment objective

Our investment process prioritizes the management of risk over the opportunity for return. Our goal is to build an

all-weather portfolio that can perform in a variety of market conditions. We look to build a portfolio that can mitigate capital losses on the downside and, secondarily, provide 100% upside participation during market recoveries.

Portfolio results

During the 12 months, our investment process was challenged because of investors' significant appetite for risk, likely driven by record-low 10-year U.S. Treasury yields. Companies suffering losses were significant outperformers as a whole, and the most expensive companies saw their price-to-sale multiples continue to expand through the year. Our valuation discipline led us to slower-growing but highly profitable companies that were out of favor.

Health care holdings delivered the largest positive contribution to returns during the fiscal year. Within the biotechnology industry, Immunomedics appreciated significantly. The company develops targeted treatments for cancer through its

antibody drug conjugate platform. The Food and Drug Administration approved the drug in April and it became commercially available in May, with sales quickly gaining momentum. Not surprisingly, the value of Immunomedics' drug platform attracted acquisition interest and, in September, the company accepted Gilead Sciences' buyout offer of \$21 billion, which was more than double Immunomedics' market capitalization at the time.

The largest individual contributor to performance during the 12 months was communication services company Pinterest, a social media platform where users create, manage, and share theme-based image collections. The company generates revenue through a targeted advertising model. The stock rallied after management reported extremely strong revenue growth as advertisers attempted to capitalize on stay-at-home mandates.

Information technology and industrials detracted from relative returns. In

information technology, both our underweight to this top-performing sector and several individual holdings adversely impacted performance. One of those was Belden, a diversified supplier of specialty network solutions to the enterprise and industrial markets. The company has repositioned the product portfolio to focus on higher-growth end markets such as industrial automation, smart buildings, cybersecurity, broadband, and 5G.

In industrials, Kirby, the largest U.S. supplier of inland marine transportation, hurt relative performance. After rallying during the second quarter on high utilization of its barges, the stock pulled back in the third quarter, as weak demand for refined oil resulting from pandemic-related travel restrictions led to decreased barge usage.

As always, we will continue to look for opportunities that can perform in a variety of market conditions and mitigate capital losses.

Small Company Growth Portfolio Investment Advisors

Investment Advisor	Portfolio Assets Managed		Investment Strategy
	%	\$ Million	
Vanguard Quantitative Equity Group	50	1,061	Employs a quantitative approach that focuses on fundamental factors, using models that assess valuation, growth prospects, management decisions, market sentiment, and earnings and balance-sheet quality of companies as compared with their peers.
ArrowMark Partners	48	1,037	The firm uses in-depth fundamental research to uncover companies that, in its opinion, can control their own economic destiny. It starts by identifying businesses with strong competitive advantages in industries with high barriers to entry, then narrows the focus to companies with large potential markets and high-quality business models focused on the future. Finally, considerations are made for potential downside risk, resulting in a diversified portfolio of between 75 and 100 stocks.
Cash Investments	2	32	These short-term reserves are invested by Vanguard in equity index products to simulate investment in stocks. Each advisor also may maintain a modest cash position.

About Your Portfolio's Expenses

As a shareholder of the portfolio, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a portfolio's gross income, directly reduce the investment return of the portfolio.

A portfolio's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your portfolio and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your portfolio's costs in two ways:

- **Based on actual portfolio return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the portfolio's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the portfolio. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, 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 given for your portfolio under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your portfolio's costs with those of other mutual funds. It assumes that the portfolio had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the portfolio's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your portfolio's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the portfolio for buying and selling securities. The portfolio's expense ratio does not reflect additional fees and expenses associated with the annuity or life insurance program through which you invest.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the portfolio's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your portfolio's current prospectus.

Six Months Ended December 31, 2020

	Beginning Account Value 6/30/2020	Ending Account Value 12/31/2020	Expenses Paid During Period
Small Company Growth Portfolio			
Based on Actual Portfolio Return	\$1,000.00	\$1,336.06	\$1.76
Based on Hypothetical 5% Yearly Return	1,000.00	1,023.63	1.53

The calculations are based on expenses incurred in the most recent six-month period. The portfolio's annualized six-month expense ratio for that period is 0.30%. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (184/366).

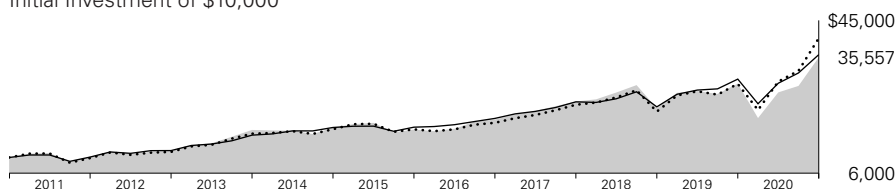
Small Company Growth Portfolio

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the portfolio. (Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on portfolio distributions or on the sale of portfolio shares. Nor do the returns reflect fees and expenses associated with the annuity or life insurance program through which a shareholder invests. If these fees and expenses were included, the portfolio's returns would be lower.

Cumulative Performance: December 31, 2010, Through December 31, 2020

Initial Investment of \$10,000



Average Annual Total Returns
Periods Ended December 31, 2020

	One Year	Five Years	Ten Years	Final Value of a \$10,000 Investment
■ Small Company Growth Portfolio	23.18%	15.74%	13.53%	\$35,557
..... Russell 2500 Growth Index	40.47	18.68	15.00	40,450
— Dow Jones U.S. Total Stock Market Float Adjusted Index	20.79	15.36	13.74	36,240

Portfolio Allocation

As of December 31, 2020

Communication Services	1.6%
Consumer Discretionary	12.9
Consumer Staples	1.5
Energy	0.1
Financials	3.4
Health Care	29.3
Industrials	18.7
Information Technology	28.1
Materials	1.8
Real Estate	1.3
Utilities	0.5
Other	0.8

The table reflects the portfolio's investments, except for short-term investments and derivatives. Sector categories are based on the Global Industry Classification Standard ("GICS"), except for the "Other" category (if applicable), which includes securities that have not been provided a GICS classification as of the effective reporting period.

Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard and Poor's, a division of McGraw-Hill Companies, Inc. ("S&P"), and is licensed for use by Vanguard. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classification makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of its affiliates or any third party involved in making or compiling the GICS or any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Financial Statements

Schedule of Investments

As of December 31, 2020

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

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Common Stocks (97.1%)								
Communication Services (1.5%)								
* TechTarget Inc.	116,776	6,903	* Lumber Liquidators Holdings Inc.	45,473	1,398	* BJ's Wholesale Club Holdings Inc.	88,331	3,293
* Cargurus Inc.	208,737	6,623	* Sleep Number Corp.	16,630	1,361	* Boston Beer Co. Inc. Class A	3,061	3,043
* Match Group Inc.	33,339	5,041	* El Pollo Loco Holdings Inc.	75,000	1,358	* Herbalife Nutrition Ltd.	59,351	2,852
* Zynga Inc. Class A	452,005	4,461	* Camping World Holdings Inc. Class A	51,592	1,344	¹ B&G Foods Inc.	67,999	1,886
* Bandwidth Inc. Class A	20,316	3,122	* Big Lots Inc.	30,510	1,310	* Casey's General Stores Inc.	10,345	1,848
* Boingo Wireless Inc.	151,378	1,926	* PetMed Express Inc.	39,401	1,263	* USANA Health Sciences Inc.	13,428	1,035
* Zillow Group Inc. Class A	12,340	1,677	* YETI Holdings Inc.	16,710	1,144	* Beyond Meat Inc.	6,779	847
* Cardlytics Inc.	5,901	842	* Strategic Education Inc.	11,564	1,102	* Reynolds Consumer Products Inc.	26,976	810
* Vonage Holdings Corp.	51,490	663	* Pool Corp.	2,840	1,058	¹ National Beverage Corp.	9,190	780
* EverQuote Inc. Class A	16,287	608	* Ruth's Hospitality Group Inc.	55,279	980	* Vector Group Ltd.	58,270	679
* Glu Mobile Inc.	61,049	550	* Asbury Automotive Group Inc.	6,297	918	* TreeHouse Foods Inc.	15,580	662
* LiveXLive Media Inc.	63,390	208	* Deckers Outdoor Corp.	3,078	883	* Central Garden & Pet Co. Class A	17,496	636
		32,624	* Visteon Corp.	6,967	875	* Celsius Holdings Inc.	12,017	605
Consumer Discretionary (12.5%)			* Leslie's Inc.	28,637	795	* elf Beauty Inc.	16,158	407
* Skechers USA Inc. Class A	751,793	27,019	* Overstock.com Inc.	16,022	769	* Mission Produce Inc.	15,217	229
* Sally Beauty Holdings Inc.	1,803,132	23,513	* Master Craft Boat Holdings Inc.	30,495	758			29,999
* Hanesbrands Inc.	1,553,713	22,653	* Tempur Sealy International Inc.	27,446	741	Energy (0.1%)		
* frontdoor Inc.	441,305	22,158	* Scientific Games Corp. Class A	17,608	731	* Dorian LPG Ltd.	80,634	983
* Shutterstock Inc.	230,467	16,525	* Standard Motor Products Inc.	17,683	715	* Magnolia Oil & Gas Corp. Class A	107,338	758
* Etsy Inc.	83,735	14,897	* Malibu Boats Inc. Class A	10,059	628			1,741
* Vroom Inc.	311,211	12,750	* CarParts.com Inc.	49,817	617	Financials (3.3%)		
* Polaris Inc.	98,629	9,397	* Brinker International Inc.	10,196	577	* LPL Financial Holdings Inc.	176,743	18,420
* Carter's Inc.	80,296	7,553	* Sonos Inc.	21,019	492	* WisdomTree Investments Inc.	1,889,436	10,109
* Wingstop Inc.	52,419	6,948	* Waitr Holdings Inc.	176,543	491	* Primerica Inc.	54,134	7,250
* Grand Canyon Education Inc.	65,024	6,054	* Core-Mark Holding Co. Inc.	16,239	477	* Bank OZK	215,182	6,729
* Papa John's International Inc.	67,883	5,760	* Red Rock Resorts Inc. Class A	16,478	413	* Virtus Investment Partners Inc.	19,798	4,296
* Fox Factory Holding Corp.	53,361	5,641	* Lovesac Co.	9,044	390	* First Financial Bankshares Inc.	81,925	2,964
* RH	12,101	5,415	* 1-800-Flowers.com Inc. Class A	13,510	351	* Artisan Partners Asset Management Inc. Class A	54,639	2,751
* Planet Fitness Inc. Class A	64,786	5,029	* Churchill Downs Inc.	1,562	304	* Virtu Financial Inc. Class A	107,046	2,694
* TopBuild Corp.	26,734	4,921	* Wendy's Co.	9,981	219	* Brightsphere Investment Group Inc.	111,149	2,143
* PulteGroup Inc.	112,013	4,830	* Golden Entertainment Inc.	10,809	215	* Cowen Inc. Class A	75,274	1,956
* NVR Inc.	1,060	4,325	* Accel Entertainment Inc. Class A	21,068	213	* Kinsale Capital Group Inc.	8,697	1,741
* Murphy USA Inc.	32,105	4,202	* Noodles & Co. Class A	24,231	191	* Palomar Holdings Inc.	15,862	1,409
* Chegg Inc.	40,388	3,648	* GAN Ltd.	8,886	180	* Erie Indemnity Co. Class A	5,068	1,245
* Penn National Gaming Inc.	37,121	3,206	* Winnebago Industries Inc.	2,524	151	* Ares Management Corp. Class A	22,261	1,047
* Gentherm Inc.	47,948	3,127	* Aaron's Co. Inc.	2,593	49	* FactSet Research Systems Inc.	2,882	958
* Rent-A-Center Inc.	75,170	2,878			266,907	* Trupanion Inc.	6,890	825
* Caesars Entertainment Inc.	38,690	2,874	Consumer Staples (1.4%)			* Universal Insurance Holdings Inc.	51,576	779
* Stamps.com Inc.	12,907	2,532	* Coca-Cola Consolidated Inc.	22,006	5,860	* eHealth Inc.	8,275	584
* Dorman Products Inc.	28,492	2,474	* John B Sanfilippo & Son Inc.	57,411	4,527			
* Perdoceo Education Corp.	177,951	2,248						
* Service Corp. International	41,022	2,014						
* H&R Block Inc.	126,100	2,000						
* iRobot Corp.	22,983	1,845						
* Skyline Champion Corp.	51,116	1,582						
* Domino's Pizza Inc.	3,725	1,428						

Small Company Growth Portfolio

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
Prosperity Bancshares Inc.	6,690	464	* Ironwood Pharmaceuticals Inc. Class A	401,537	4,574	* Pulmonx Corp.	17,225	1,189
Westamerica BanCorp.	8,123	449	* CorVel Corp.	43,087	4,567	* MannKind Corp.	377,275	1,181
PROG Holdings Inc.	5,187	279	* Corcept Therapeutics Inc.	173,808	4,547	* Mirati Therapeutics Inc.	5,353	1,176
* Assetmark Financial Holdings Inc.	8,500	206	* Luminex Corp.	191,054	4,417	* Select Medical Holdings Corp.	42,511	1,176
PennyMac Financial Services Inc.	1,800	118	* Molina Healthcare Inc.	19,674	4,184	* CytoSorbents Corp.	141,955	1,131
		69,416	* Veeva Systems Inc. Class A	15,203	4,139	* Constellation Pharmaceuticals Inc.	39,163	1,128
Health Care (28.5%)			* Intellia Therapeutics Inc.	75,432	4,104	* 10X Genomics Inc. Class A	7,736	1,095
* BioTelemetry Inc.	357,635	25,778	* Emergent BioSolutions Inc.	45,464	4,074	* Karuna Therapeutics Inc.	10,573	1,074
STERIS plc	127,354	24,139	* IQVIA Holdings Inc.	22,260	3,988	* OraSure Technologies Inc.	100,409	1,063
* Merit Medical Systems Inc.	411,573	22,846	* Arvinas Inc.	45,579	3,871	* Kiniksa Pharmaceuticals Ltd. Class A	59,019	1,043
* Syneos Health Inc.	303,466	20,675	* iRhythm Technologies Inc.	15,746	3,735	* Minerva Neurosciences Inc.	425,897	997
* Quidel Corp.	114,156	20,508	* Encompass Health Corp.	44,180	3,653	* Precision BioSciences Inc.	118,241	986
* Hologic Inc.	209,522	15,259	* PerkinElmer Inc.	24,180	3,470	* ¹ Inovio Pharmaceuticals Inc.	110,779	980
* HealthEquity Inc.	206,687	14,408	* Hill-Rom Holdings Inc.	34,040	3,335	* Molecular Templates Inc.	104,194	978
* Cooper Cos. Inc.	34,075	12,380	* Ionis Pharmaceuticals Inc.	54,830	3,100	* US Physical Therapy Inc.	8,049	968
* Kodiak Sciences Inc.	83,313	12,240	* Alkermes plc	145,887	2,910	* PPD Inc.	26,564	909
* Axogen Inc.	628,653	11,253	* Guardant Health Inc.	22,363	2,882	* Inspire Medical Systems Inc.	4,487	844
* AMN Healthcare Services Inc.	159,716	10,901	* Schrodinger Inc.	35,662	2,824	* Black Diamond Therapeutics Inc.	26,251	841
* Sarepta Therapeutics Inc.	63,035	10,747	* Turning Point Therapeutics Inc.	22,776	2,775	* Radius Health Inc.	46,807	836
* Novocure Ltd.	60,047	10,391	* Ensign Group Inc.	36,765	2,681	* AtriCure Inc.	14,028	781
* MEDNAX Inc.	422,616	10,371	* Enanta Pharmaceuticals Inc.	60,163	2,533	* ChemoCentryx Inc.	12,427	769
* Omnicell Inc.	82,348	9,883	* Denali Therapeutics Inc.	29,483	2,470	* Cytokinetics Inc.	36,672	762
* Heron Therapeutics Inc.	461,129	9,760	* GenMark Diagnostics Inc.	169,085	2,469	* Accolade Inc.	17,438	759
* PRA Health Sciences Inc.	74,473	9,342	* Inovalon Holdings Inc. Class A	134,526	2,444	* Selecta Biosciences Inc.	250,077	758
* Chemed Corp.	17,257	9,191	* MacroGenics Inc.	103,882	2,375	* Codexis Inc.	34,145	745
* Deciphera Pharmaceuticals Inc.	160,468	9,158	* ¹ Esperion Therapeutics Inc.	89,561	2,329	* Fortress Biotech Inc.	233,336	740
* Nevro Corp.	48,704	8,431	* West Pharmaceutical Services Inc.	7,986	2,263	* ¹ VBI Vaccines Inc.	266,222	732
* Exact Sciences Corp.	60,516	8,018	* CareDx Inc.	29,608	2,145	* Vanda Pharmaceuticals Inc.	51,973	683
* Neurocrine Biosciences Inc.	82,677	7,925	* Providence Service Corp.	14,993	2,078	* Zogenix Inc.	32,345	647
* Sotera Health Co.	284,731	7,813	* AdaptHealth Corp. Class A	51,552	1,936	* SIGA Technologies Inc.	88,618	644
* Medpace Holdings Inc.	56,052	7,802	* Immunovant Inc.	41,535	1,919	* Calithera Biosciences Inc.	129,548	636
* Revance Therapeutics Inc.	272,767	7,730	* Bioxel Therapeutics Inc.	41,222	1,904	* Myriad Genetics Inc.	30,657	606
* ABIOMED Inc.	23,034	7,468	* Neogen Corp.	21,882	1,735	* Agenus Inc.	186,382	593
* Halozyme Therapeutics Inc.	168,090	7,179	* Tivity Health Inc.	86,067	1,686	* Invitae Corp.	14,148	592
* Natera Inc.	71,731	7,139	* Surmodics Inc.	37,910	1,650	* Protagonist Therapeutics Inc.	28,372	572
* Bruker Corp.	130,591	7,069	* Meridian Bioscience Inc.	86,721	1,621	* Silk Road Medical Inc.	9,084	572
* Travers Therapeutics Inc.	253,910	6,920	* Iovance Biotherapeutics Inc.	34,690	1,610	* Seres Therapeutics Inc.	22,049	540
* Avantar Inc.	243,244	6,847	* ¹ Precigen Inc.	153,813	1,569	* Fulgent Genetics Inc.	9,920	517
* Agios Pharmaceuticals Inc.	153,325	6,644	* Voyager Therapeutics Inc.	219,290	1,568	* Pieris Pharmaceuticals Inc.	190,939	477
* ¹ Ontrak Inc.	98,213	6,069	* Puma Biotechnology Inc.	152,472	1,564	* Apellis Pharmaceuticals Inc.	8,275	473
* Pacific Biosciences of California Inc.	230,897	5,989	* Novavax Inc.	13,660	1,523	* Syros Pharmaceuticals Inc.	41,972	455
* Acceleron Pharma Inc.	46,754	5,982	* Bluebird Bio Inc.	34,848	1,508	* Prestige Consumer Healthcare Inc.	12,346	431
* Charles River Laboratories International Inc.	23,000	5,747	* Omeros Corp.	100,883	1,441	* ICU Medical Inc.	1,975	424
* Integra LifeSciences Holdings Corp.	84,091	5,459	* ImmunoGen Inc.	220,353	1,421	* Pliant Therapeutics Inc.	17,905	407
* Ultragenyx Pharmaceutical Inc.	37,629	5,209	* Surgery Partners Inc.	44,523	1,292	* Phibro Animal Health Corp. Class A	19,844	385
* Allakos Inc.	36,597	5,124	* Bio-Techne Corp.	3,922	1,245	* Vir Biotechnology Inc.	14,286	383
* Tenet Healthcare Corp.	123,605	4,936	* Pennant Group Inc.	21,188	1,230	* Sientra Inc.	97,196	378
* LHC Group Inc.	22,753	4,854	* ¹ Ligand Pharmaceuticals Inc.	12,046	1,198	* Karyopharm Therapeutics Inc.	23,988	371
* Horizon Therapeutics plc	65,347	4,780	* ACADIA Pharmaceuticals Inc.	22,302	1,192	* ¹ Marinus Pharmaceuticals Inc.	28,667	350
* Haemonetics Corp.	40,220	4,776				* Passage Bio Inc.	12,516	320
* Masimo Corp.	17,719	4,755						
* SpringWorks Therapeutics Inc.	65,351	4,739						
* Viking Therapeutics Inc.	831,286	4,680						

Small Company Growth Portfolio

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
* CytomX Therapeutics Inc.	48,143	315	* Sunrun Inc.	41,706	2,894	* Enphase Energy Inc.	74,612	13,092
* Cue Biopharma Inc.	23,438	293	* Mueller Industries Inc.	81,751	2,870	* Nuance Communications Inc.	290,871	12,825
* Fate Therapeutics Inc.	3,048	277	* Graco Inc.	37,767	2,732	* Fair Isaac Corp.	24,715	12,630
* Jounce Therapeutics Inc.	37,884	265	* Fortune Brands Home & Security Inc.	29,090	2,494	* 8x8 Inc.	312,644	10,777
* BioSig Technologies Inc.	64,280	251	* Allison Transmission Holdings Inc.	50,755	2,189	* Teradyne Inc.	87,605	10,503
* Paratek Pharmaceuticals Inc.	39,185	245	* Tetra Tech Inc.	18,840	2,181	* Booz Allen Hamilton Holding Corp. Class A	120,381	10,495
*.1 Co-Diagnostics Inc.	25,352	236	* Upwork Inc.	61,774	2,132	* Five9 Inc.	57,534	10,034
* Mersana Therapeutics Inc.	8,743	233	* Hubbell Inc. Class B	13,282	2,082	* New Relic Inc.	143,844	9,407
* Twist Bioscience Corp.	1,561	221	* Exponent Inc.	23,008	2,071	* Workiva Inc. Class A	94,833	8,689
* Durect Corp.	103,948	215	* SiteOne Landscape Supply Inc.	12,268	1,946	* FireEye Inc.	365,971	8,439
* Replimune Group Inc.	5,357	204	* Robert Half International Inc.	30,177	1,885	* Manhattan Associates Inc.	79,412	8,353
* Ideaya Biosciences Inc.	12,528	175	* Enerpac Tool Group Corp. Class A	81,985	1,854	* SolarEdge Technologies Inc.	25,489	8,134
* CryoPort Inc.	3,775	166	* AAON Inc.	27,309	1,820	* Anaplan Inc.	104,528	7,510
* Acutus Medical Inc.	5,006	144	* Applied Industrial Technologies Inc.	21,901	1,708	* Domo Inc. Class B	106,171	6,771
* Recro Pharma Inc.	49,143	140	* McGrath RentCorp.	24,904	1,671	* ChannelAdvisor Corp.	422,395	6,750
* Electromed Inc.	11,616	114	* Masonite International Corp.	13,981	1,375	* Jabil Inc.	155,570	6,616
*.1 Cassava Sciences Inc.	16,164	110	* Steelcase Inc. Class A	90,963	1,233	* Cadence Design Systems Inc.	47,961	6,543
* Ovid therapeutics Inc.	45,031	104	* Array Technologies Inc.	26,012	1,122	* Fortinet Inc.	42,286	6,281
* Bellerophon Therapeutics Inc.	14,592	97	* Vicor Corp.	11,696	1,079	* Synaptics Inc.	64,628	6,230
* Accelerate Diagnostics Inc.	12,377	94	* Ameresco Inc. Class A	19,088	997	* Atlassian Corp. plc Class A	26,255	6,140
* Akebia Therapeutics Inc.	31,453	88	*.1 Alpha Pro Tech Ltd.	79,499	886	* SS&C Technologies Holdings Inc.	84,322	6,134
* Arcturus Therapeutics Holdings Inc.	1,827	79	* Shyft Group Inc.	30,625	869	* Zebra Technologies Corp. Class A	15,393	5,916
* Assembly Biosciences Inc.	11,583	70	* Douglas Dynamics Inc.	19,189	821	* Box Inc. Class A	325,569	5,877
*.1 Vaxart Inc.	11,546	66	* CAI International Inc.	26,233	820	* EPAM Systems Inc.	16,031	5,745
		606,361	* MasTec Inc.	10,462	713	* MAXIMUS Inc.	75,947	5,559
Industrials (18.1%)			* Werner Enterprises Inc.	17,924	703	* Teradata Corp.	237,913	5,346
* Generac Holdings Inc.	128,906	29,314	* Atlas Air Worldwide Holdings Inc.	12,687	692	* CDW Corp.	40,450	5,331
* Ritchie Bros Auctioneers Inc.	413,669	28,771	* Trex Co. Inc.	8,061	675	* HubSpot Inc.	13,247	5,252
* TriNet Group Inc.	334,518	26,962	* Systemax Inc.	18,547	666	* TTEC Holdings Inc.	70,278	5,125
* Sensata Technologies Holding plc	496,380	26,179	* American Woodmark Corp.	6,947	652	* MongoDB Inc.	13,820	4,962
* ABM Industries Inc.	532,023	20,132	* Gibraltar Industries Inc.	8,562	616	* Avalara Inc.	29,446	4,855
* Matson Inc.	309,552	17,635	* Lindsay Corp.	4,548	584	* Verint Systems Inc.	72,039	4,840
* Clean Harbors Inc.	221,374	16,847	* MSA Safety Inc.	3,904	583	* Silicon Laboratories Inc.	35,769	4,555
* Kirby Corp.	267,280	13,853	* SPX Corp.	9,778	533	* Wix.com Ltd.	17,499	4,374
* Middleby Corp.	101,979	13,147	* Daseke Inc.	78,250	455	* Fastly Inc. Class A	49,833	4,354
* Tennant Co.	186,643	13,097	* National Presto Industries Inc.	4,939	437	*.1 SunPower Corp.	168,340	4,316
* Forward Air Corp.	167,935	12,904	* Primoris Services Corp.	14,604	403	* SPS Commerce Inc.	38,739	4,207
* CH Robinson Worldwide Inc.	134,622	12,637	* Echo Global Logistics Inc.	11,174	300	* FormFactor Inc.	95,684	4,116
* John Bean Technologies Corp.	99,489	11,329	* CoreLogic Inc.	3,473	269	* Digital Turbine Inc.	70,496	3,987
* Cimpress plc	115,351	10,121	* Nordson Corp.	1,333	268	*.1 Sumo Logic Inc.	128,908	3,684
* Woodward Inc.	70,716	8,594	* Bloom Energy Corp. Class A	9,021	259	* Diodes Inc.	51,848	3,655
* Builders FirstSource Inc.	194,826	7,951	* Acuity Brands Inc.	1,907	231	* Cornerstone OnDemand Inc.	81,666	3,597
* Landstar System Inc.	53,034	7,142	* Mastech Digital Inc.	13,130	209	* Bill.Com Holdings Inc.	25,423	3,470
* GMS Inc.	199,252	6,073	* Helios Technologies Inc.	3,755	200	* Cirrus Logic Inc.	41,396	3,403
* Allegion plc	52,145	6,069			386,363	* StoneCo. Ltd. Class A	38,300	3,214
* Kennametal Inc.	154,973	5,616	Information Technology (27.3%)			* MACOM Technology Solutions Holdings Inc. Class H	56,893	3,131
* Atkore International Group Inc.	132,208	5,435	* J2 Global Inc.	325,263	31,775	* eGain Corp.	257,311	3,039
* Heartland Express Inc.	271,352	4,911	* ON Semiconductor Corp.	874,099	28,609	* CDK Global Inc.	57,106	2,960
* BWX Technologies Inc.	80,415	4,847	* 2U Inc.	514,196	20,573	* Brooks Automation Inc.	43,246	2,934
* Kforce Inc.	105,735	4,450	* Proofpoint Inc.	144,172	19,667	* Monolithic Power Systems Inc.	7,854	2,876
* Great Lakes Dredge & Dock Corp.	297,029	3,912	* Pluralsight Inc. Class A	831,202	17,422	* Model N Inc.	79,699	2,844
* UFP Industries Inc.	67,783	3,765	* Euronet Worldwide Inc.	119,349	17,296	* Calix Inc.	95,453	2,841
* Boise Cascade Co.	78,016	3,729	* Belden Inc.	344,872	14,450	* Zscaler Inc.	13,314	2,659
* Plug Power Inc.	99,194	3,364	* Trimble Inc.	213,961	14,286	* Elastic NV	17,234	2,518
* Franklin Electric Co. Inc.	46,327	3,206	* Zendesk Inc.	96,001	13,740	* Alteryx Inc. Class A	19,590	2,386
* EMCOR Group Inc.	34,897	3,192	* SolarWinds Corp.	913,939	13,663	* Avaya Holdings Corp.	122,331	2,343
			* Gartner Inc.	82,613	13,234	* Alarm.com Holdings Inc.	22,584	2,336

Small Company Growth Portfolio

	Shares	Market Value* (\$000)		Shares	Market Value* (\$000)		Shares	Market Value* (\$000)
* Ceridian HCM Holding Inc.	21,728	2,315	* DSP Group Inc.	15,480	257	Brookfield Infrastructure Corp. Class A	16,841	1,218
* Perspecta Inc.	95,647	2,303	* PDF Solutions Inc.	10,930	236	Clearway Energy Inc. Class A	37,555	1,110
* Unisys Corp.	112,046	2,205	* LivePerson Inc.	3,783	235	California Water Service Group	8,882	480
* NeoPhotonics Corp.	228,967	2,081	* GTT Communications Inc.	44,847	160			9,391
* Amkor Technology Inc.	132,601	2,000			581,814			
* CSG Systems International Inc.	40,732	1,836	Materials (1.8%)			Total Common Stocks (Cost \$1,648,083)		2,067,149
* Avid Technology Inc.	114,851	1,823	Scotts Miracle-Gro Co.	41,025	8,170	Temporary Cash Investments (5.3%)		
* A10 Networks Inc.	182,417	1,799	Graphic Packaging Holding Co.	411,204	6,966	Money Market Fund (5.2%)		
* Agilysys Inc.	45,798	1,758	Element Solutions Inc.	293,005	5,195	^{3,4} Vanguard Market Liquidity Fund, 0.111 %	1,105,505	110,550
* Cloudflare Inc. Class A	21,983	1,670	Myers Industries Inc.	196,293	4,079			Face Amount (\$000)
* Itron Inc.	17,324	1,661	RPM International Inc.	33,479	3,039			
* Veritone Inc.	55,491	1,579	Louisiana-Pacific Corp.	74,996	2,788			
* International Money Express Inc.	100,184	1,555	Royal Gold Inc.	23,274	2,475			
* Lattice Semiconductor Corp.	32,839	1,505	Sealed Air Corp.	43,728	2,002			
* Sitime Corp.	13,021	1,457	Avery Dennison Corp.	8,259	1,281			
* Plantronics Inc.	53,541	1,447	Sensient Technologies Corp.	11,241	829			
* Extreme Networks Inc.	205,165	1,414	* O-I Glass Inc.	31,064	370			
* Paylocity Holding Corp.	6,516	1,342	* Forterra Inc.	20,496	353			
* Comm Scope Holding Co. Inc.	96,312	1,291	* Koppers Holdings Inc.	9,186	286			
* Brightcove Inc.	65,784	1,210			37,833			
* Everbridge Inc.	7,635	1,138	Other (0.8%)			U.S. Government and Agency Obligations (0.1%)		
* Sailpoint Technologies Holdings Inc.	19,882	1,059	* Jaws Acquisition Corp. Class A	1,267,735	17,000	⁵ U.S. Cash Management Bill, 0.083%, 3/30/21	300	300
* Nutanix Inc. Class A	31,660	1,009	^{*,2} Nupathe Inc. CVR	345,900	—	⁵ U.S. Treasury Bill, 0.096%, 1/28/21	1,148	1,148
* Perficient Inc.	20,799	991			17,000	⁵ U.S. Treasury Bill, 0.116%, 2/16/21	1,465	1,465
* Lumentum Holdings Inc.	10,174	964	Real Estate (1.3%)					2,913
* PagerDuty Inc.	21,346	890	* Redfin Corp.	144,577	9,922	Total Temporary Cash Investments (Cost \$113,467)		113,463
* Sprout Social Inc. Class A	19,429	882	Uniti Group Inc.	345,578	4,054	Total Investments (102.4%) (Cost \$1,761,550)		2,180,612
* QAD Inc. Class A	13,129	829	Iron Mountain Inc.	126,082	3,717	Other Assets and Liabilities—Net (-2.4%)		(50,629)
* Benefitfocus Inc.	54,762	793	PS Business Parks Inc.	23,204	3,083	Net Assets (100%)		2,129,983
* Axcelis Technologies Inc.	26,834	781	¹ GEO Group Inc.	238,664	2,115			
* Ultra Clean Holdings Inc.	23,466	731	Innovative Industrial Properties Inc.	6,755	1,237			
* NCR Corp.	17,474	657	National Health Investors Inc.	14,841	1,027			
* Infinera Corp.	58,792	616	Equity LifeStyle Properties Inc.	9,715	616			
* NIC Inc.	22,686	586	CatchMark Timber Trust Inc. Class A	49,044	459			
* BigCommerce Holdings Inc. Series 1	9,129	586	Universal Health Realty Income Trust	5,167	332			
* ePlus Inc.	6,264	551	CareTrust REIT Inc.	14,665	325			
* Black Knight Inc.	5,842	516	Alexander's Inc.	1,022	283			
* MicroStrategy Inc. Class A	1,325	515	American Finance Trust Inc.	37,389	278			
* PFSweb Inc.	73,268	493	LTC Properties Inc.	6,483	252			
* Mitek Systems Inc.	24,289	432			27,700			
* CEVA Inc.	9,344	425	Utilities (0.5%)					
* Sanmina Corp.	11,637	371	American States Water Co.	53,685	4,268			
* Progress Software Corp.	8,065	364	Ormat Technologies Inc.	25,647	2,315			
* Xperi Holding Corp.	14,060	294						
* VirnetX Holding Corp.	52,697	266						
* Badger Meter Inc.	2,776	261						

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

				(\$000)
	Expiration	Number of Long (Short) Contracts	Notional Amount	Value and Unrealized Appreciation (Depreciation)
Long Futures Contracts				
E-mini Russell 2000 Index	March 2021	618	61,021	1,922

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Assets and Liabilities

As of December 31, 2020

(\$000s, except shares and per-share amounts)	Amount
Assets	
Investments in Securities, at Value	
Unaffiliated Issuers (Cost \$1,650,996)	2,070,062
Affiliated Issuers (Cost \$110,554)	110,550
Total Investments in Securities	2,180,612
Investment in Vanguard	79
Cash	1,076
Cash Collateral Pledged—Futures Contracts	150
Receivables for Investment Securities Sold	1,063
Receivables for Accrued Income	545
Receivables for Capital Shares Issued	415
Total Assets	2,183,940
Liabilities	
Payables for Investment Securities Purchased	1,080
Collateral for Securities on Loan	25,057
Payables to Investment Advisor	383
Payables for Capital Shares Redeemed	27,112
Payables to Vanguard	258
Variation Margin Payable—Futures Contracts	67
Total Liabilities	53,957
Net Assets	2,129,983

At December 31, 2020, net assets consisted of:

Paid-in Capital	1,595,403
Total Distributable Earnings (Loss)	534,580
Net Assets	2,129,983
Net Assets	
Applicable to 86,965,207 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	2,129,983
Net Asset Value Per Share	\$24.49

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Operations

	Year Ended December 31, 2020
	(\$000)
Investment Income	
Income	
Dividends	12,660
Interest ¹	430
Securities Lending—Net	1,831
Total Income	14,921
Expenses	
Investment Advisory Fees—Note B	
Basic Fee	2,509
Performance Adjustment	(344)
The Vanguard Group—Note C	
Management and Administrative	3,010
Marketing and Distribution	182
Custodian Fees	25
Auditing Fees	30
Shareholders' Reports	35
Trustees' Fees and Expenses	2
Total Expenses	5,449
Net Investment Income	9,472
Realized Net Gain (Loss)	
Investment Securities Sold ¹	100,373
Futures Contracts	8,838
Realized Net Gain (Loss)	109,211
Change in Unrealized Appreciation (Depreciation)	
Investment Securities ¹	268,991
Futures Contracts	1,245
Change in Unrealized Appreciation (Depreciation)	270,236
Net Increase (Decrease) in Net Assets Resulting from Operations	388,919

¹ Interest income, realized net gain (loss), and change in unrealized appreciation (depreciation) from an affiliated company of the portfolio were \$409,000, \$38,000, and \$4,000, respectively. Purchases and sales are for temporary cash investment purposes.

Statement of Changes in Net Assets

	Year Ended December 31,	
	2020 (\$000)	2019 (\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	9,472	12,062
Realized Net Gain (Loss)	109,211	174,524
Change in Unrealized Appreciation (Depreciation)	270,236	302,576
Net Increase (Decrease) in Net Assets Resulting from Operations	388,919	489,162
Distributions¹		
Total Distributions	(190,506)	(234,887)
Capital Share Transactions		
Issued	190,807	241,143
Issued in Lieu of Cash Distributions	190,506	234,887
Redeemed	(560,869)	(446,197)
Net Increase (Decrease) from Capital Share Transactions	(179,556)	29,833
Total Increase (Decrease)	18,857	284,108
Net Assets		
Beginning of Period	2,111,126	1,827,018
End of Period	2,129,983	2,111,126

¹ Certain prior-period numbers have been reclassified to conform with the current-period presentation.

Financial Highlights

For a Share Outstanding Throughout Each Period	Year Ended December 31,				
	2020	2019	2018	2017	2016
Net Asset Value, Beginning of Period	\$23.08	\$20.30	\$24.62	\$21.50	\$20.79
Investment Operations					
Net Investment Income	.102 ¹	.128 ¹	.123 ¹	.109 ¹	.116
Net Realized and Unrealized Gain (Loss) on Investments	3.521	5.323	(1.563)	4.652	2.547
Total from Investment Operations	3.623	5.451	(1.440)	4.761	2.663
Distributions					
Dividends from Net Investment Income	(.143)	(.118)	(.103)	(.111)	(.074)
Distributions from Realized Capital Gains	(2.070)	(2.553)	(2.777)	(1.530)	(1.879)
Total Distributions	(2.213)	(2.671)	(2.880)	(1.641)	(1.953)
Net Asset Value, End of Period	\$24.49	\$23.08	\$20.30	\$24.62	\$21.50
Total Return	23.18%	28.05%	-7.22%	23.46%	14.94%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$2,130	\$2,111	\$1,827	\$1,750	\$1,397
Ratio of Total Expenses to Average Net Assets ²	0.30%	0.32%	0.32%	0.34%	0.36%
Ratio of Net Investment Income to Average Net Assets	0.52%	0.59%	0.52%	0.48%	0.58%
Portfolio Turnover Rate	53%	58%	66%	93%	91%

¹ Calculated based on average shares outstanding.

² Includes performance-based investment advisory fee increases (decreases) of (0.02%), 0.01%, 0.01%, 0.00%, and 0.00%.

Notes to Financial Statements

The Small Company Growth Portfolio, a portfolio of Vanguard Variable Insurance Funds, is registered under the Investment Company Act of 1940 as an open-end investment company. The portfolio's shares are only available for purchase by separate accounts of insurance companies as investments for variable annuity plans, variable life insurance contracts, or other variable benefit insurance contracts. Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the portfolio and thus portfolio performance.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The portfolio consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been affected by events occurring before the portfolio's pricing time but after the close of the securities' primary markets, are valued at their fair values calculated according to procedures adopted by the board of trustees. These procedures include obtaining quotations from an independent pricing service, monitoring news to identify significant market- or security-specific events, and evaluating changes in the values of foreign market proxies (for example, ADRs, futures contracts, or exchange-traded funds), between the time the foreign markets close and the portfolio's pricing time. When fair-value pricing is employed, the prices of securities used by a portfolio to calculate its net asset value may differ from quoted or published prices for the same securities. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services.

2. **Futures Contracts:** The portfolio uses index futures contracts to a limited extent, with the objective of maintaining full exposure to the stock market while maintaining liquidity. The portfolio may purchase or sell futures contracts to achieve a desired level of investment, whether to accommodate portfolio turnover or cash flows from capital share transactions. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the portfolio and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the portfolio trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the portfolio's performance and requires daily settlement of variation margin representing changes in the market value of each contract. Any securities pledged as initial margin for open contracts are noted in the Schedule of Investments.

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures contracts.

During the year ended December 31, 2020, the portfolio's average investments in long and short futures contracts represented 3% and 0% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

3. **Federal Income Taxes:** The portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income. The portfolio's tax returns are open to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return. Management has analyzed the portfolio's tax positions taken for all open federal and state income tax years, and has concluded that no provision for income tax is required in the portfolio's financial statements.

4. **Distributions:** Distributions to shareholders are recorded on the ex-dividend date. Distributions are determined on a tax basis at the fiscal year-end and may differ from net investment income and realized capital gains for financial reporting purposes.

5. **Securities Lending:** To earn additional income, the portfolio lends its securities to qualified institutional borrowers. Security loans are subject to termination by the portfolio at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled on the next business day. The portfolio further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the portfolio; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the event of a default, the portfolio may experience delays and costs in recovering the securities loaned. The portfolio invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Assets and Liabilities for the return of the collateral, during the period the securities are on loan. Collateral investments in Vanguard Market Liquidity Fund are subject to market appreciation or depreciation. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the portfolio is entitled to all distributions made on or in respect of the loaned securities.

6. **Credit Facilities and Interfund Lending Program:** The portfolio and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$4.3 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement and an uncommitted credit facility provided by Vanguard. Both facilities may be renewed annually. Each fund is individually liable for its borrowings, if any, under the credit facilities. Borrowings may be utilized for temporary or emergency purposes, subject to the portfolio's regulatory and contractual borrowing restrictions. With respect to the committed credit facility, the participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn committed amount of the facility; these fees are allocated to the funds based on a method approved by the portfolio's board of trustees and included in Management and Administrative expenses on the portfolio's Statement of Operations. Any borrowings under either facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate (or an acceptable alternate rate, if necessary), federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread, except that borrowings under the uncommitted credit facility may bear interest based upon an alternate rate agreed to by the portfolio and Vanguard.

In accordance with an exemptive order (the "Order") from the SEC, the portfolio may participate in a joint lending and borrowing program that allows registered open-end Vanguard funds to borrow money from and lend money to each other for temporary or emergency purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the portfolio's investment objective and investment policies. Interfund loans and borrowings normally extend overnight, but can have a maximum duration of seven days. Loans may be called on one business day's notice. The interest rate to be charged is governed by the conditions of the Order and internal procedures adopted by the board of trustees. The board of trustees is responsible for overseeing the Interfund Lending Program.

For the year ended December 31, 2020, the portfolio did not utilize the credit facilities or the Interfund Lending Program.

7. **Other:** Dividend income is recorded on the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair value of the securities received. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for premiums on certain callable debt securities that are amortized to the earliest call date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

B. The investment advisory firm ArrowMark Colorado Holdings, LLC, provides investment advisory services to a portion of the portfolio for a fee calculated at an annual percentage rate of average net assets managed by the advisor. The basic fee of ArrowMark Colorado Holdings, LLC, is subject to quarterly adjustments based on performance relative to the Russell 2500 Growth Index since March 31, 2016.

Vanguard provides investment advisory services to a portion of the portfolio as described below; the portfolio paid Vanguard advisory fees of \$737,000 for the year ended December 31, 2020.

For the year ended December 31, 2020, the aggregate investment advisory fee paid to all advisors represented an effective annual basic rate of 0.14% of the portfolio's average net assets, before a decrease of of \$344,000 (0.02%) based on performance.

C. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the portfolio, Vanguard furnishes to the portfolio investment advisory, corporate management, administrative, marketing, and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the portfolio based on methods and guidelines approved by the board of trustees and are generally settled twice a month.

Upon the request of Vanguard, the portfolio may invest up to 0.40% of its net assets as capital in Vanguard. At December 31, 2020, the portfolio had contributed to Vanguard capital in the amount of \$79,000, representing less than 0.01% of the portfolio's net assets and 0.03% of Vanguard's capital received pursuant to the FSA. The portfolio's trustees and officers are also directors and employees, respectively, of Vanguard.

D. Various inputs may be used to determine the value of the portfolio's investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

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

Level 3—Significant unobservable inputs (including the portfolio's own assumptions used to determine the fair value of investments). Any investments and derivatives valued with significant unobservable inputs are noted on the Schedule of Investments.

The following table summarizes the market value of the portfolio's investments and derivatives as of December 31, 2020, based on the inputs used to value them:

	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
Investments				
Assets				
Common Stocks	2,067,149	—	—	2,067,149
Temporary Cash Investments	110,550	2,913	—	113,463
Total	2,177,699	2,913	—	2,180,612
Derivative Financial Instruments				
Liabilities				
Futures Contracts ¹	67	—	—	67

¹ Represents variation margin on the last day of the reporting period.

E. Permanent differences between book-basis and tax-basis components of net assets, if any, are reclassified among capital accounts in the financial statements to reflect their tax character. These reclassifications have no effect on net assets or net asset value per share.

Temporary differences between book-basis and tax-basis components of total distributable earnings (loss) arise when certain items of income, gain, or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. The differences are primarily related to the deferral of losses from wash sales; the recognition of unrealized gains or losses from certain derivative contracts; and the recognition of unrealized gains from passive foreign investment companies. As of period end, the tax-basis components of total distributable earnings (loss) are detailed in the table as follows:

	Amount (\$000)
Undistributed Ordinary Income	75,183
Undistributed Long-Term Gains	40,416
Capital Loss Carryforwards	—
Qualified Late-Year Losses	—
Net Unrealized Gains (Losses)	418,981

The tax character of distributions paid was as follows:

	Year Ended December 31,	
	2020 Amount (\$000)	2019 Amount (\$000)
Ordinary Income*	15,395	53,162
Long-Term Capital Gains	175,111	181,725
Total	190,506	234,887

* Includes short-term capital gains, if any.

As of December 31, 2020, gross unrealized appreciation and depreciation for investments and derivatives based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	1,761,631
Gross Unrealized Appreciation	548,114
Gross Unrealized Depreciation	(129,133)
Net Unrealized Appreciation (Depreciation)	418,981

F. During the year ended December 31, 2020, the portfolio purchased \$939,094,000 of investment securities and sold \$1,274,935,000 of investment securities, other than temporary cash investments.

G. Capital shares issued and redeemed were:

	Year Ended December 31,	
	2020 Shares (000)	2019 Shares (000)
Issued	10,624	11,011
Issued in Lieu of Cash Distributions	13,855	11,101
Redeemed	(28,989)	(20,656)
Net Increase (Decrease) in Shares Outstanding	(4,510)	1,456

At December 31, 2020, one shareholder (an insurance company separate account whose holdings in the portfolio represent the indirect investment of Vanguard Variable Annuity contract holders) was the record or beneficial owner of 46% of the portfolio's net assets. If this shareholder was to redeem its investment in the portfolio, the redemption might result in an increase in the portfolio's expense ratio, cause the portfolio to incur higher transaction costs, or lead to the realization of taxable capital gains.

H. Management has determined that no events or transactions occurred subsequent to December 31, 2020, that would require recognition or disclosure in these financial statements.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Vanguard Variable Insurance Funds and Shareholders of Small Company Growth Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Small Company Growth Portfolio (one of the portfolios constituting Vanguard Variable Insurance Funds, referred to hereafter as the "Portfolio") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian and brokers and by agreement to the underlying ownership records of the transfer agent; 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
Philadelphia, Pennsylvania
February 18, 2021

We have served as the auditor of one or more investment companies in The Vanguard Group of Funds since 1975.

Special 2020 tax information (unaudited) for corporate shareholders only for Small Company Growth Portfolio, a portfolio of Vanguard Variable Insurance Funds

The portfolio distributed \$175,111,000 as capital gain dividends (20% rate gain distributions) to shareholders during the fiscal year.

For corporate shareholders, 13.8% of investment income (dividend income plus short-term gains, if any) qualifies for the dividends-received deduction.

The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 211 Vanguard funds.

Information for each trustee and executive officer of the fund appears below. That information, as well as the Vanguard fund count, is as of the date on the cover of this fund report. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at vanguard.com.

Interested Trustee¹

Mortimer J. Buckley

Born in 1969. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: chairman of the board (2019–present) of Vanguard and of each of the investment companies served by Vanguard; chief executive officer (2018–present) of Vanguard; chief executive officer, president, and trustee (2018–present) of each of the investment companies served by Vanguard; president and director (2017–present) of Vanguard; and president (2018–present) of Vanguard Marketing Corporation. Chief investment officer (2013–2017), managing director (2002–2017), head of the Retail Investor Group (2006–2012), and chief information officer (2001–2006) of Vanguard. Chairman of the board (2011–2017) and trustee (2009–2017) of the Children's Hospital of Philadelphia; and trustee (2018–present) and vice chair (2019–present) of The Shipley School.

Independent Trustees

Emerson U. Fullwood

Born in 1948. Trustee since January 2008. Principal occupation(s) during the past five years and other experience: executive chief staff and marketing officer for North America and corporate vice president (retired 2008) of Xerox Corporation (document management products and services). Former president of the Worldwide Channels Group, Latin America, and Worldwide Customer Service and executive chief staff officer of Developing Markets of Xerox. Executive in residence and 2009–2010 Distinguished Minett Professor at the Rochester Institute of Technology. Director of SPX FLOW, Inc. (multi-industry manufacturing). Director of the University of Rochester Medical Center, the Monroe Community College Foundation, the United Way of Rochester, North Carolina A&T University, and Roberts Wesleyan College. Trustee of the University of Rochester.

Amy Gutmann

Born in 1949. Trustee since June 2006. Principal occupation(s) during the past five years and other experience: president (2004–present) of the University of Pennsylvania. Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and professor of communication, Annenberg School for Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania.

F. Joseph Loughrey

Born in 1949. Trustee since October 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2009) and vice chairman of the board (2008–2009) of Cummins Inc. (industrial machinery). Chairman of the board of Hillenbrand, Inc. (specialized consumer services) and the Lumina Foundation. Director of the V Foundation. Member of the advisory council for the College of Arts and Letters and chair of the advisory board to the Kellogg Institute for International Studies, both at the University of Notre Dame.

Mark Loughridge

Born in 1953. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: senior vice president and chief financial officer (retired 2013) of IBM (information technology services). Fiduciary member of IBM's Retirement Plan Committee (2004–2013), senior vice president and general manager (2002–2004) of IBM Global Financing, vice president and controller (1998–2002) of IBM, and a variety of other prior management roles at IBM. Member of the Council on Chicago Booth.

Scott C. Malpass

Born in 1962. Trustee since March 2012. Principal occupation(s) during the past five years and other experience: chief investment officer (retired June 2020) and vice president (retired June 2020) of the University of Notre Dame. Assistant professor of finance at the Mendoza College of Business, University of Notre Dame, and member of the Notre Dame 403(b) Investment Committee (retired June 2020). Member of the board of Catholic Investment Services, Inc. (investment advisors) and the board of superintendence of the Institute for the Works of Religion.

Deanna Mulligan

Born in 1963. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: board chair (2020–present), chief executive officer (2011–2020), and president (2010–2019) of The Guardian Life Insurance Company of America. Chief operating officer (2010–2011) and executive vice president (2008–2010) of the individual life and disability division of Guardian Life. Member of the board of the American Council of Life Insurers and the board of the Economic Club of New York. Trustee of the Partnership for New York City (business leadership), Chief Executives for Corporate Purpose, NewYork-Presbyterian Hospital, Catalyst, and the

Bruce Museum (arts and science). Member of the Advisory Council for the Stanford Graduate School of Business.

André F. Perold

Born in 1952. Trustee since December 2004. Principal occupation(s) during the past five years and other experience: George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011). Chief investment officer and co-managing partner of HighVista Strategies (private investment firm). Member of the board of advisors and member of the investment committee of the Museum of Fine Arts Boston. Member of the board (2018–present) of RIT Capital Partners (investment firm). Member of the investment committee of Partners Health Care System.

Sarah Bloom Raskin

Born in 1961. Trustee since January 2018. Principal occupation(s) during the past five years and other experience: deputy secretary (2014–2017) of the United States Department of the Treasury. Governor (2010–2014) of the Federal Reserve Board. Commissioner (2007–2010) of financial regulation for the State of Maryland. Member of the board of directors (2012–2014) of Neighborhood Reinvestment Corporation. Director (2017–present) of i(x) Investments, LLC; director (2017–present) of Reserve Trust. Rubenstein Fellow (2017–present) of Duke University; trustee (2017–present) of Amherst College, and trustee (2019–present) of the Folger Shakespeare Library.

Peter F. Volanakis

Born in 1955. Trustee since July 2009. Principal occupation(s) during the past five years and other experience: president and chief operating officer (retired 2010) of Corning Incorporated (communications equipment) and director of Corning Incorporated (2000–2010) and Dow Corning (2001–2010). Director (2012) of SPX Corporation (multi-industry manufacturing). Overseer of the Amos Tuck School of Business Administration, Dartmouth College (2001–2013). Chairman of the board of trustees of Colby-Sawyer College. Member of the board of Hypertherm Inc. (industrial cutting systems, software, and consumables).

¹ Mr. Buckley is considered an "interested person," as defined in the Investment Company Act of 1940, because he is an officer of the Vanguard funds.

Executive Officers

John Bendl

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief financial officer (2019–present) of each of the investment companies served by Vanguard. Chief accounting officer, treasurer, and controller of Vanguard (2017–present). Partner (2003–2016) at KPMG (audit, tax, and advisory services).

Christine M. Buchanan

Born in 1970. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Treasurer (2017–present) of each of the investment companies served by Vanguard. Partner (2005–2017) at KPMG (audit, tax, and advisory services).

David Cermak

Born in 1960. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present) of each of the investment companies served by Vanguard. Managing director and head (2017–present) of Vanguard Investments Singapore. Managing director and head (2017–2019) of Vanguard Investments Hong Kong. Representative director and head (2014–2017) of Vanguard Investments Japan.

John Galloway

Born in 1973. Principal occupation(s) during the past five years and other experience: principal of Vanguard.

Investment stewardship officer (September 2020–present) of each of the investment companies served by Vanguard. Head of Investor Advocacy (February 2020–present) and head of Marketing Strategy and Planning (2017–2020) at Vanguard. Deputy assistant to the President of the United States (2015).

Thomas J. Higgins

Born in 1957. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Finance director (2019–present), chief financial officer (2008–2019), and treasurer (1998–2008) of each of the investment companies served by Vanguard.

Peter Mahoney

Born in 1974. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Controller (2015–present) of each of the investment companies served by Vanguard. Head of International Fund Services (2008–2014) at Vanguard.

Anne E. Robinson

Born in 1970. Principal occupation(s) during the past five years and other experience: general counsel (2016–present) of Vanguard. Secretary (2016–present) of Vanguard and of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Managing director and general counsel of Global Cards and Consumer Services (2014–2016) at Citigroup. Counsel (2003–2014) at American Express.

Michael Rollings

Born in 1963. Principal occupation(s) during the past five years and other experience: finance director (2017–present) and treasurer (2017) of each of the investment companies served by Vanguard. Managing director (2016–present) of Vanguard. Chief financial officer (2016–present) of Vanguard. Director (2016–present) of Vanguard Marketing Corporation. Executive vice president and chief financial officer (2006–2016) of MassMutual Financial Group.

John E. Schadl

Born in 1972. Principal occupation(s) during the past five years and other experience: principal of Vanguard. Chief compliance officer (2019–present) of Vanguard and of each of the investment companies served by Vanguard. Assistant vice president (2019–present) of Vanguard Marketing Corporation.

Vanguard Senior Management Team

Joseph Brennan
Mortimer J. Buckley
Gregory Davis
John James
John T. Marcante
Chris D. McIsaac

James M. Norris
Thomas M. Rampulla
Karin A. Risi
Anne E. Robinson
Michael Rollings
Lauren Valente



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You can obtain a free copy of Vanguard's proxy voting guidelines by visiting vanguard.com/proxyreporting or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, www.sec.gov. In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either vanguard.com/proxyreporting or www.sec.gov.

All comparative mutual fund data are from Morningstar, Inc., unless otherwise noted.

You can review information about your fund on the SEC's website, and you can receive copies of this information, for a fee, by sending a request via email addressed to publicinfo@sec.gov.

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**1800 North Point Drive
Stevens Point, WI 54481**

**800-473-6879
sentry.com**

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