

Fidelity® Variable Insurance Products:

Bond Index Portfolio

Annual Report
December 31, 2021



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To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit <http://www.fidelity.com/proxyvotingresults> or visit the Securities and Exchange Commission's (SEC) web site at <http://www.sec.gov>.

You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

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This report and the financial statements contained herein are submitted for the general information of the shareholders of the Fund. This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available on the SEC's web site at <http://www.sec.gov>. A fund's Forms N-PORT may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at <http://www.fidelity.com>, <http://www.institutional.fidelity.com>, or <http://www.401k.com>, as applicable.

NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE

Neither the Fund nor Fidelity Distributors Corporation is a bank.

Note to Shareholders:

Early in 2020, the outbreak and spread of COVID-19 emerged as a public health emergency that had a major influence on financial markets, primarily based on its impact on the global economy and corporate earnings. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, citing sustained risk of further global spread. The pandemic prompted a number of measures to limit the spread of COVID-19, including travel and border restrictions, quarantines, and restrictions on large gatherings. In turn, these resulted in lower consumer activity, diminished demand for a wide range of products and services, disruption in manufacturing and supply chains, and — given the wide variability in outcomes regarding the outbreak — significant market uncertainty and volatility. To help stem the turmoil, the U.S. government took unprecedented action — in concert with the U.S. Federal Reserve and central banks around the world — to help support consumers, businesses, and the broader economy, and to limit disruption to the financial system.

In general, the overall impact of the pandemic lessened in 2021, amid a resilient economy and widespread distribution of three COVID-19 vaccines granted emergency use authorization from the U.S. Food and Drug Administration (FDA) early in the year. Still, the situation remains dynamic, and the extent and duration of its influence on financial markets and the economy is highly uncertain, due in part to a recent spike in cases based on highly contagious variants of the coronavirus.

Extreme events such as the COVID-19 crisis are exogenous shocks that can have significant adverse effects on mutual funds and their investments. Although multiple asset classes may be affected by market disruption, the duration and impact may not be the same for all types of assets. Fidelity is committed to helping you stay informed amid news about COVID-19 and during increased market volatility, and we continue to take extra steps to be responsive to customer needs. We encourage you to visit us online, where we offer ongoing updates, commentary, and analysis on the markets and our funds.

Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

Average Annual Total Returns

For the periods ended December 31, 2021

	Past 1 year	Life of fund ^A
Initial Class	-1.95%	4.20%
Service Class	-2.05%	4.12%
Service Class 2	-2.24%	3.93%

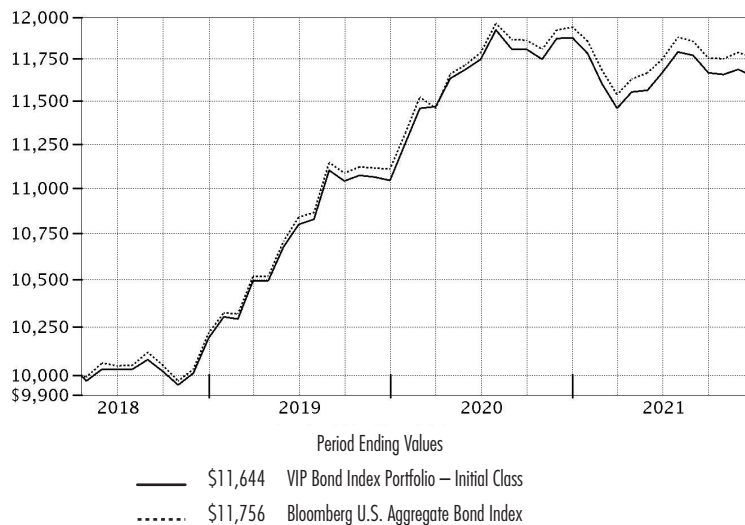
^A From April 19, 2018

The initial offering of Service Class shares took place on April 11, 2019. Returns prior to April 11, 2019 are those of Initial Class.

\$10,000 Over Life of Fund

Let's say hypothetically that \$10,000 was invested in VIP Bond Index Portfolio – Initial Class on April 19, 2018, when the fund started.

The chart shows how the value of your investment would have changed, and also shows how the Bloomberg U.S. Aggregate Bond Index performed over the same period.



Effective August 24, 2021, all Bloomberg Barclays Indices were re-branded as Bloomberg Indices.

Management's Discussion of Fund Performance

Market Recap: U.S. taxable investment-grade bonds posted a moderate decline in the year ending December 31, 2021, amid a broad risk-on and inflationary environment. The Bloomberg U.S. Aggregate Bond Index returned -1.54% for the full period. Longer-term bond yields rose early in the year, as a \$1.9 trillion COVID-relief bill offered hopes for a robust economic recovery. This led to rising inflation expectations that persisted through early April. Many investors preferred the potential for higher returns in riskier assets as the worst economic fears related to the spread of COVID-19 retreated. Bond yields fell from May through early August in response to weaker-than-expected economic data. Then in the fourth quarter, rising inflation and tighter monetary policy increased short-term yields and decreased longer-term yields. By early December, U.S. Federal Reserve Chair Jerome Powell stated it was time to retire the term “transitory” in describing U.S. inflation. Also in December, the Fed accelerated its tapering plans and raised the prospects for three quarter-point interest-rate hikes in 2022. Within the Aggregate index, corporate bonds returned -2.92% for the period, edging the -3.30% return of U.S. Treasuries. Securitized segments of the market also posted negative returns, including commercial mortgage-backed securities (-2.42%). Outside the index, U.S. corporate high-yield bonds added roughly 5% and Treasury Inflation-Protected Securities (TIPS) rose 6%.

Comments from Co-Portfolio Managers Brandon Bettencourt and Richard Munclinger: For 2021, the returns of the fund's share classes ranged from -2.24% to -1.95%, net of fees, lagging the -1.54% result of the benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index. Our goal is to produce monthly returns, before expenses, that closely match the benchmark return. Given the large number of securities in the index (roughly 12,000) and the significant cost and liquidity challenges associated with full replication of the index, we use “stratified sampling techniques” in constructing the portfolio. This approach involves defining and maintaining an “optimal” subset of constituent securities that, in aggregate, mirrors the chief characteristics of the index – including maturity, duration, sector allocation, credit quality and other factors. The fund trailed the index mostly due to performance differences between mortgage pools held in the fund and the generic mortgage securities in the benchmark that occurred during a steep increase in yields in the first quarter of 2021. U.S. bonds markets faced a bumpy road in 2021, contending with rising inflation, an uneven economic recovery in the face of new coronavirus variants, and, near year's end, the beginning of tighter monetary policy by the U.S. Federal Reserve. For the year, more credit-sensitive bonds generally generated gains, while interest-rate-sensitive securities typically suffered losses.

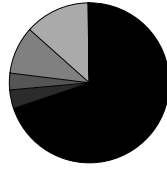
The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based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

Investment Summary (Unaudited)

Quality Diversification (% of fund's net assets)

As of December 31, 2021

■ U.S. Government and U.S. Government Agency Obligations	70.3%
■ AAA	3.8%
■ AA	3.4%
■ A	9.7%
■ BBB	13.2%
■ BB and Below	0.2%
□ Not Rated	0.1%
Short-Term Investments and Net Other Assets*	(0.7)%



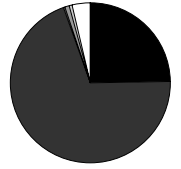
* not included in the pie chart

We have used ratings from Moody's Investors Service, Inc. Where Moody's® ratings are not available, we have used S&P® ratings. All ratings are as of the date indicated and do not reflect subsequent changes.

Asset Allocation (% of fund's net assets)

As of December 31, 2021 *

■ Corporate Bonds	24.9%
■ U.S. Government and U.S. Government Agency Obligations	70.3%
■ Asset-Backed Securities	0.3%
■ CMOs and Other Mortgage Related Securities	0.9%
■ Municipal Bonds	0.6%
□ Other Investments	3.7%
Short-Term Investments and Net Other Assets (Liabilities)**	(0.7)%



* Foreign investments — 7.8%

** not included in the pie chart

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Nonconvertible Bonds – 24.9%

	Principal Amount	Value
COMMUNICATION SERVICES – 2.3%		
Diversified Telecommunication Services – 1.0%		
AT&T, Inc.:		
1.65% 2/1/28	\$ 200,000	\$ 195,765
2.25% 2/1/32	50,000	48,316
2.75% 6/1/31	300,000	306,076
3.3% 2/1/52	50,000	48,964
3.5% 6/1/41	1,000,000	1,027,744
3.5% 9/15/53	347,000	350,087
3.55% 9/15/55	340,000	341,234
3.65% 6/1/51	280,000	289,981
3.65% 9/15/59	257,000	259,541
3.8% 2/15/27	43,000	46,694
4.1% 2/15/28	143,000	158,911
4.45% 4/1/24	1,190,000	1,270,179
4.65% 6/1/44	40,000	46,848
Telefonica Emisiones S.A.U.:		
4.103% 3/8/27	150,000	165,105
5.213% 3/8/47	250,000	310,380
Verizon Communications, Inc.:		
1.5% 9/18/30	270,000	253,292
2.355% 3/15/32 (a)	9,000	8,868
2.65% 11/20/40	60,000	57,013
2.987% 10/30/56	227,000	214,877
3.55% 3/22/51	500,000	538,431
3.875% 2/8/29	210,000	232,716
4% 3/22/50	114,000	130,899
4.016% 12/3/29	100,000	112,110
4.125% 8/15/46	54,000	62,624
4.272% 1/15/36	276,000	323,744
4.329% 9/21/28	643,000	730,419
5.012% 8/21/54	38,000	52,485
		<u>7,583,303</u>
Entertainment – 0.1%		
The Walt Disney Co.:		
2% 9/1/29	50,000	49,736
2.65% 1/13/31	200,000	208,045
2.75% 9/1/49	100,000	96,755
3.5% 5/13/40	30,000	32,856
3.6% 1/13/51	30,000	33,926
3.7% 9/15/24	300,000	318,792
3.8% 3/22/30	110,000	123,385
3.8% 5/13/60	30,000	34,754
4.7% 3/23/50	100,000	131,928
		<u>1,030,177</u>
Interactive Media & Services – 0.1%		
Alphabet, Inc.:		
1.1% 8/15/30	200,000	189,051
1.9% 8/15/40	264,000	240,399
2.05% 8/15/50	170,000	151,714
		<u>581,164</u>
Media – 0.8%		
Charter Communications Operating LLC/Charter Communications Operating Capital Corp.:		
3.7% 4/1/51	30,000	29,004

	Principal Amount	Value
3.75% 2/15/28	\$ 100,000	\$ 107,128
4.2% 3/15/28	48,000	52,567
5.125% 7/1/49	60,000	69,598
5.375% 4/1/38	42,000	50,120
5.375% 5/1/47	190,000	226,785
6.384% 10/23/35	621,000	802,174
Comcast Corp.:		
2.45% 8/15/52	135,000	120,877
2.65% 2/1/30	80,000	82,968
2.8% 1/15/51	180,000	173,412
2.887% 11/1/51 (a)	179,000	173,269
2.937% 11/1/56 (a)	385,000	366,725
2.987% 11/1/63 (a)	305,000	289,453
3.4% 4/1/30	87,000	94,949
3.55% 5/1/28	76,000	83,326
3.7% 4/15/24	30,000	31,872
3.75% 4/1/40	31,000	34,705
3.9% 3/1/38	50,000	56,585
4.049% 11/1/52	146,000	170,519
Discovery Communications LLC:		
3.625% 5/15/30	220,000	235,195
4% 9/15/55	85,000	89,800
4.65% 5/15/50	100,000	117,311
5.2% 9/20/47	18,000	22,312
Fox Corp.:		
4.709% 1/25/29	34,000	38,808
5.476% 1/25/39	189,000	243,746
5.576% 1/25/49	23,000	31,393
Time Warner Cable LLC 5.5% 9/1/41	351,000	425,556
TWDC Enterprises 18 Corp.:		
2.95% 6/15/27	98,000	104,440
3% 2/13/26	210,000	222,154
ViacomCBS, Inc.:		
4.2% 6/1/29	210,000	233,332
4.95% 1/15/31	190,000	226,339
5.85% 9/1/43	363,000	488,964
		<u>5,495,386</u>
Wireless Telecommunication Services – 0.3%		
America Movil S.A.B. de CV 3.625% 4/22/29		
	200,000	215,913
T-Mobile U.S.A., Inc.:		
3% 2/15/41	529,000	516,466
3.5% 4/15/25	410,000	434,384
3.75% 4/15/27	80,000	86,632
3.875% 4/15/30	80,000	87,500
4.375% 4/15/40	74,000	84,596
4.5% 4/15/50	80,000	93,632
Vodafone Group PLC:		
4.375% 5/30/28	97,000	109,143
5.25% 5/30/48	170,000	221,424
6.15% 2/27/37	392,000	531,397
		<u>2,381,087</u>
TOTAL COMMUNICATION SERVICES		<u>17,071,117</u>

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Nonconvertible Bonds – continued

	Principal Amount	Value
CONSUMER DISCRETIONARY – 1.6%		
Automobiles – 0.2%		
American Honda Finance Corp. 1.2% 7/8/25	\$ 330,000	\$ 328,707
General Motors Co.:		
5.95% 4/1/49	200,000	273,756
6.125% 10/1/25	455,000	522,672
6.75% 4/1/46	69,000	98,593
General Motors Financial Co., Inc.:		
4.35% 4/9/25	84,000	90,374
5.65% 1/17/29	250,000	296,467
		<u>1,610,569</u>
Diversified Consumer Services – 0.2%		
American University 3.672% 4/1/49	130,000	150,211
Duke University 2.832% 10/1/55	30,000	31,050
George Washington University 4.126% 9/15/48	100,000	121,069
Ingersoll-Rand Global Holding Co. Ltd. 3.75% 8/21/28	210,000	229,381
Massachusetts Institute of Technology 2.989% 7/1/50	250,000	273,116
Northwestern University 3.662% 12/1/57	100,000	124,884
University of Chicago 3% 10/1/52	100,000	104,323
University of Southern California 2.945% 10/1/51	240,000	248,685
		<u>1,282,719</u>
Hotels, Restaurants & Leisure – 0.3%		
Expedia, Inc. 5% 2/15/26	160,000	177,948
Marriott International, Inc. 3.125% 6/15/26	390,000	405,025
McDonald's Corp.:		
2.625% 9/1/29	150,000	154,728
3.3% 7/1/25	32,000	33,922
3.5% 7/1/27	91,000	98,685
3.6% 7/1/30	340,000	375,720
3.8% 4/1/28	84,000	92,289
4.2% 4/1/50	40,000	48,412
4.7% 12/9/35	109,000	132,705
Starbucks Corp.:		
2.55% 11/15/30	597,000	608,851
4.5% 11/15/48	50,000	61,829
		<u>2,190,114</u>
Household Durables – 0.0%		
Newell Brands, Inc. 4.35% 4/1/23	60,000	61,800
Internet & Direct Marketing Retail – 0.2%		
Alibaba Group Holding Ltd.:		
2.125% 2/9/31	240,000	231,876
3.15% 2/9/51	245,000	227,544
Amazon.com, Inc.:		
0.8% 6/3/25	110,000	108,742
1% 5/12/26	6,000	5,942
2.1% 5/12/31	105,000	106,429
2.4% 2/22/23	50,000	50,928
2.5% 6/3/50	110,000	104,735
3.1% 5/12/51	105,000	112,100
3.875% 8/22/37	440,000	517,147
4.05% 8/22/47	280,000	339,485
		<u>1,804,928</u>
Leisure Products – 0.0%		
Hasbro, Inc. 3.55% 11/19/26	110,000	117,935

	Principal Amount	Value
Multiline Retail – 0.2%		
Dollar Tree, Inc. 4% 5/15/25	\$ 248,000	\$ 266,418
Kohl's Corp. 4.25% 7/17/25	265,000	283,648
Target Corp.:		
2.25% 4/15/25	508,000	523,516
2.65% 9/15/30	77,000	80,709
3.9% 11/15/47	40,000	49,548
4% 7/1/42	15,000	18,345
		<u>1,222,184</u>
Specialty Retail – 0.4%		
AutoZone, Inc.:		
3.625% 4/15/25	62,000	66,114
4% 4/15/30	150,000	167,827
Lowe's Companies, Inc.:		
3.5% 4/1/51	300,000	323,668
3.65% 4/5/29	80,000	87,703
4.05% 5/3/47	53,000	60,973
O'Reilly Automotive, Inc. 3.6% 9/1/27	260,000	281,016
The Home Depot, Inc.:		
2.7% 4/15/30	146,000	153,190
2.8% 9/14/27	84,000	89,080
2.95% 6/15/29	686,000	730,814
3.35% 4/15/50	100,000	109,056
3.9% 6/15/47	29,000	33,880
4.25% 4/1/46	104,000	129,432
4.5% 12/6/48	90,000	116,361
TJX Companies, Inc. 3.875% 4/15/30	687,000	770,455
		<u>3,119,569</u>
Textiles, Apparel & Luxury Goods – 0.1%		
NIKE, Inc.:		
2.4% 3/27/25	38,000	39,340
2.85% 3/27/30	570,000	605,919
3.375% 3/27/50	40,000	45,215
		<u>690,474</u>
TOTAL CONSUMER DISCRETIONARY		
		<u>12,100,292</u>
CONSUMER STAPLES – 1.9%		
Beverages – 0.5%		
Anheuser-Busch InBev Worldwide, Inc.:		
4% 4/13/28	91,000	101,219
4.5% 6/1/50	100,000	123,282
4.6% 4/15/48	78,000	95,381
4.6% 6/1/60	50,000	61,884
4.95% 1/15/42	461,000	578,236
5.45% 1/23/39	270,000	353,364
5.55% 1/23/49	130,000	179,850
5.8% 1/23/59 (Reg. S)	170,000	245,794
Constellation Brands, Inc.:		
3.6% 2/15/28	63,000	68,022
5.25% 11/15/48	50,000	65,530
Diageo Capital PLC:		
1.375% 9/29/25	200,000	198,893
2% 4/29/30	200,000	197,887

See accompanying notes which are an integral part of the financial statements.

Nonconvertible Bonds – continued

	Principal Amount	Value		Principal Amount	Value
CONSUMER STAPLES – continued					
Beverages – continued					
Dr. Pepper Snapple Group, Inc.:					
2.55% 9/15/26	\$ 50,000	\$ 51,580			
3.8% 5/1/50	190,000	210,382			
4.597% 5/25/28	36,000	40,942			
Molson Coors Beverage Co. 4.2% 7/15/46	92,000	101,978			
PepsiCo, Inc.:					
1.4% 2/25/31	440,000	419,604			
1.625% 5/1/30	267,000	258,926			
4% 5/2/47	116,000	143,093			
The Coca-Cola Co.:					
1.45% 6/1/27	30,000	29,824			
1.65% 6/1/30	30,000	28,949			
2.5% 6/1/40	30,000	30,113			
2.6% 6/1/50	30,000	29,292			
2.75% 6/1/60	30,000	29,714			
3.45% 3/25/30	186,000	205,918			
4.2% 3/25/50	150,000	190,249			
		<u>4,039,906</u>			
Food & Staples Retailing – 0.8%					
Costco Wholesale Corp. 1.375% 6/20/27	395,000	391,952			
Kroger Co.:					
1.7% 1/15/31	400,000	379,786			
2.65% 10/15/26	230,000	238,987			
3.7% 8/1/27	100,000	109,148			
5.4% 1/15/49	28,000	39,099			
Sysco Corp.:					
3.3% 2/15/50	50,000	50,632			
4.45% 3/15/48	52,000	61,187			
6.6% 4/1/50	220,000	341,765			
Walgreens Boots Alliance, Inc.:					
3.2% 4/15/30	130,000	137,637			
3.45% 6/1/26	81,000	86,184			
4.1% 4/15/50	130,000	145,718			
Walmart, Inc.:					
3.05% 7/8/26	10,000	10,688			
3.3% 4/22/24	3,220,000	3,375,293			
3.625% 12/15/47	20,000	23,741			
3.7% 6/26/28	170,000	190,307			
3.95% 6/28/38	150,000	178,890			
4.05% 6/29/48	80,000	101,672			
		<u>5,862,686</u>			
Food Products – 0.2%					
Archer Daniels Midland Co. 2.5% 8/11/26	350,000	363,969			
Campbell Soup Co. 4.15% 3/15/28	80,000	88,843			
Conagra Brands, Inc.:					
4.85% 11/1/28	190,000	219,172			
5.3% 11/1/38	13,000	16,427			
5.4% 11/1/48	60,000	80,804			
General Mills, Inc.:					
2.875% 4/15/30	40,000	41,745			
3% 2/1/51	80,000	80,218			
4.2% 4/17/28	89,000	99,388			
Kellogg Co. 4.5% 4/1/46	32,000	39,703			
Tyson Foods, Inc.:					
4% 3/1/26	\$ 70,000	\$ 75,907			
5.1% 9/28/48	50,000	67,247			
Unilever Capital Corp.:					
1.375% 9/14/30	135,000	128,002			
2% 7/28/26	280,000	286,285			
3.125% 3/22/23	100,000	102,747			
		<u>1,690,457</u>			
Household Products – 0.1%					
Kimberly-Clark Corp.:					
1.05% 9/15/27	110,000	106,554			
3.1% 3/26/30	22,000	23,705			
Procter & Gamble Co.:					
3% 3/25/30	105,000	114,123			
3.55% 3/25/40	160,000	185,068			
		<u>429,450</u>			
Personal Products – 0.0%					
Estee Lauder Companies, Inc. 1.95% 3/15/31	200,000	197,012			
Tobacco – 0.3%					
Altria Group, Inc.:					
2.625% 9/16/26	110,000	113,587			
3.4% 5/6/30	300,000	310,391			
3.875% 9/16/46	38,000	36,755			
4.8% 2/14/29	120,000	135,353			
5.8% 2/14/39	100,000	120,198			
5.95% 2/14/49	30,000	37,438			
BAT Capital Corp.:					
3.557% 8/15/27	130,000	136,344			
4.39% 8/15/37	521,000	548,951			
4.54% 8/15/47	213,000	222,760			
Philip Morris International, Inc.:					
2.875% 5/1/24	80,000	83,171			
3.125% 3/2/28	54,000	57,260			
4.375% 11/15/41	265,000	300,825			
		<u>2,103,033</u>			
TOTAL CONSUMER STAPLES					<u>14,322,544</u>
ENERGY – 1.7%					
Energy Equipment & Services – 0.0%					
Baker Hughes Co. 4.08% 12/15/47	172,000	195,459			
Oil, Gas & Consumable Fuels – 1.7%					
Canadian Natural Resources Ltd.:					
3.85% 6/1/27	558,000	597,811			
4.95% 6/1/47	19,000	23,314			
Genovus Energy, Inc. 5.4% 6/15/47	124,000	154,372			
Chevron Corp.:					
1.141% 5/11/23	80,000	80,450			
1.554% 5/11/25	80,000	80,678			
1.995% 5/11/27	80,000	81,197			
2.236% 5/11/30	80,000	80,917			
2.978% 5/11/40	80,000	81,982			
3.078% 5/11/50	80,000	84,925			
Chevron U.S.A., Inc.:					
3.85% 1/15/28	55,000	60,893			

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Nonconvertible Bonds – continued

	Principal Amount	Value
ENERGY – continued		
Oil, Gas & Consumable Fuels – continued		
Chevron U.S.A., Inc.: – continued		
4.95% 8/15/47	\$ 30,000	\$ 38,850
ConocoPhillips Co.:		
5.95% 3/15/46	86,000	127,406
6.5% 2/1/39	260,000	377,686
Devon Energy Corp. 5% 6/15/45	80,000	96,698
Eastern Gas Transmission & Storage, Inc. 3.9% 11/15/49 (a)	60,000	66,422
Enbridge Energy Partners LP 5.875% 10/15/25	76,000	86,487
Enbridge, Inc. 5.5% 12/1/46	60,000	81,103
Energy Transfer LP:		
4.2% 9/15/23	30,000	31,329
4.5% 4/15/24	50,000	52,993
5% 5/15/50	160,000	184,112
5.8% 6/15/38	70,000	84,788
6% 6/15/48	356,000	442,269
6.25% 4/15/49	30,000	39,188
Enterprise Products Operating LP:		
3.125% 7/31/29	70,000	74,333
3.95% 2/15/27	85,000	92,662
4.2% 1/31/50	418,000	468,575
4.25% 2/15/48	105,000	118,846
EOG Resources, Inc. 4.375% 4/15/30	510,000	589,341
Equinor ASA:		
3.125% 4/6/30	357,000	383,532
3.25% 11/18/49	160,000	169,466
3.625% 9/10/28	120,000	131,831
Exxon Mobil Corp.:		
3.452% 4/15/51	330,000	357,478
4.227% 3/19/40	421,000	496,993
Hess Corp. 4.3% 4/1/27	150,000	163,358
Kinder Morgan Energy Partners LP:		
5% 8/15/42	100,000	115,975
5% 3/1/43	215,000	250,396
Kinder Morgan, Inc.:		
3.15% 1/15/23	119,000	121,512
4.3% 3/1/28	112,000	124,454
5.2% 3/1/48	30,000	37,054
Magellan Midstream Partners LP:		
3.95% 3/1/50	75,000	79,444
5% 3/1/26	72,000	80,350
Marathon Oil Corp. 4.4% 7/15/27	240,000	262,891
Marathon Petroleum Corp.:		
4.75% 9/15/44	21,000	24,713
5.125% 12/15/26	410,000	466,602
MPLX LP:		
4.5% 7/15/23	82,000	85,365
4.7% 4/15/48	28,000	32,304
4.8% 2/15/29	30,000	34,255
5.5% 2/15/49	310,000	395,870
ONEOK, Inc.:		
4.45% 9/1/49	40,000	44,196
4.55% 7/15/28	59,000	65,136
Ovintiv, Inc. 6.5% 2/1/38	50,000	64,870

	Principal Amount	Value
Phillips 66 Co. 3.9% 3/15/28	\$ 94,000	\$ 101,883
Phillips 66 Partners LP 3.15% 12/15/29	170,000	176,241
Pioneer Natural Resources Co.:		
1.125% 1/15/26	230,000	223,331
1.9% 8/15/30	19,000	18,045
Sabine Pass Liquefaction LLC 4.5% 5/15/30	850,000	958,819
Shell International Finance BV:		
3.125% 11/7/49	100,000	102,899
3.25% 4/6/50	100,000	106,393
3.75% 9/12/46	70,000	78,601
4.375% 5/11/45	293,000	355,982
Spectra Energy Partners LP 3.375% 10/15/26	158,000	167,507
Suncor Energy, Inc. 4% 11/15/47	179,000	198,941
The Williams Companies, Inc.:		
3.75% 6/15/27	35,000	37,785
4.85% 3/1/48	83,000	100,847
Total Capital International SA 3.127% 5/29/50	220,000	225,506
TransCanada PipeLines Ltd.:		
4.1% 4/15/30	190,000	211,942
7.625% 1/15/39	231,000	359,464
Transcontinental Gas Pipe Line Co. LLC:		
3.25% 5/15/30	66,000	69,565
3.95% 5/15/50	180,000	201,632
Valero Energy Corp.:		
2.85% 4/15/25	190,000	196,814
4.35% 6/1/28	20,000	22,053
		<u>12,281,922</u>
TOTAL ENERGY		<u>12,477,381</u>
FINANCIALS – 7.8%		
Banks – 4.4%		
Banco Santander SA:		
1.849% 3/25/26	200,000	199,083
2.958% 3/25/31	200,000	204,058
Bank of America Corp.:		
0.81% 10/24/24 (b)	500,000	496,667
0.981% 9/25/25 (b)	600,000	592,714
1.197% 10/24/26 (b)	924,000	905,559
2.651% 3/11/32 (b)	180,000	182,313
2.676% 6/19/41 (b)	100,000	96,257
2.687% 4/22/32 (b)	356,000	361,278
3.419% 12/20/28 (b)	220,000	234,886
3.458% 3/15/25 (b)	1,900,000	1,987,042
3.55% 3/5/24 (b)	113,000	116,359
3.946% 1/23/49 (b)	23,000	26,850
3.97% 3/5/29 (b)	125,000	136,778
3.974% 2/7/30 (b)	60,000	66,092
4% 1/22/25	370,000	395,156
4.083% 3/20/51 (b)	220,000	264,622
4.271% 7/23/29 (b)	80,000	89,195
4.33% 3/15/50 (b)	60,000	74,227
5% 1/21/44	400,000	525,267
Bank of Nova Scotia 3.4% 2/11/24	140,000	146,890

See accompanying notes which are an integral part of the financial statements.

Nonconvertible Bonds – continued

	Principal Amount	Value		Principal Amount	Value
FINANCIALS – continued					
Banks – continued					
Barclays PLC:					
2.279% 11/24/27 (b)	\$ 400,000	\$ 400,713			
2.852% 5/7/26 (b)	516,000	532,180			
4.337% 1/10/28	200,000	218,355			
5.088% 6/20/30 (b)	726,000	823,525			
Citigroup, Inc.:					
3 month U.S. LIBOR + 1.150% 3.52% 10/27/28 (b)(c)	205,000	219,900			
2.976% 11/5/30 (b)	270,000	280,383			
3.106% 4/8/26 (b)	500,000	524,163			
3.98% 3/20/30 (b)	160,000	176,622			
4.65% 7/23/48	78,000	100,155			
5.316% 3/26/41 (b)	617,000	815,471			
Citizens Financial Group, Inc. 2.638% 9/30/32	78,000	77,048			
Export-Import Bank of Korea 2.875% 1/21/25	350,000	365,940			
Fifth Third Bancorp 2.55% 5/5/27	200,000	206,292			
HSBC Holdings PLC:					
4.292% 9/12/26 (b)	1,060,000	1,144,383			
6.8% 6/1/38	449,000	635,503			
ING Groep NV 2.727% 4/1/32 (b)	200,000	204,187			
Japan Bank International Cooperation:					
0.625% 7/15/25	750,000	733,011			
1.25% 1/21/31	580,000	555,567			
JPMorgan Chase & Co.:					
0.653% 9/16/24 (b)	790,000	786,289			
1.47% 9/22/27 (b)	390,000	382,288			
1.578% 4/22/27 (b)	188,000	185,784			
1.953% 2/4/32 (b)	250,000	240,791			
2.083% 4/22/26 (b)	200,000	202,994			
2.522% 4/22/31 (b)	150,000	151,610			
2.545% 11/8/32 (b)	40,000	40,225			
2.58% 4/22/32 (b)	189,000	191,429			
2.739% 10/15/30 (b)	720,000	739,788			
2.95% 10/1/26	224,000	236,464			
2.956% 5/13/31 (b)	50,000	51,769			
3.109% 4/22/51 (b)	100,000	103,317			
3.882% 7/24/38 (b)	734,000	833,090			
4.005% 4/23/29 (b)	43,000	47,461			
4.203% 7/23/29 (b)	30,000	33,559			
4.452% 12/5/29 (b)	200,000	226,979			
4.95% 6/1/45	135,000	175,678			
Korea Development Bank 0.4% 6/19/24	300,000	295,520			
Lloyds Banking Group PLC:					
4.45% 5/8/25	200,000	217,247			
4.582% 12/10/25	1,518,000	1,655,886			
Mitsubishi UFJ Financial Group, Inc.:					
3.751% 7/18/39	290,000	328,757			
3.777% 3/2/25	84,000	89,761			
Mizuho Financial Group, Inc.:					
0.849% 9/8/24 (b)	400,000	397,922			
1.554% 7/9/27 (b)	285,000	280,381			
2.226% 5/25/26 (b)	400,000	405,912			
NatWest Group PLC 3.875% 9/12/23	220,000	229,404			
Oesterreichische Kontrollbank AG 0.375% 9/17/25	83,000	80,436			
PNC Financial Services Group, Inc.:					
1.15% 8/13/26	\$ 514,000	\$ 506,730			
2.2% 11/1/24	70,000	71,872			
Rabobank Nederland New York Branch 0.375% 1/12/24	1,300,000	1,282,928			
Royal Bank of Canada:					
2.55% 7/16/24	360,000	371,934			
4.65% 1/27/26	55,000	60,993			
Santander Holdings U.S.A., Inc. 4.5% 7/17/25	82,000	88,768			
Sumitomo Mitsui Financial Group, Inc.:					
1.474% 7/8/25	400,000	397,905			
2.348% 1/15/25	200,000	204,931			
2.75% 1/15/30	200,000	204,688			
3.936% 10/16/23	80,000	84,076			
The Toronto-Dominion Bank 2.65% 6/12/24	510,000	529,005			
Truist Financial Corp.:					
1.2% 8/5/25	700,000	694,241			
1.267% 3/2/27 (b)	29,000	28,452			
U.S. Bancorp 1.375% 7/22/30	210,000	197,594			
Wells Fargo & Co.:					
2.188% 4/30/26 (b)	340,000	346,005			
2.572% 2/11/31 (b)	690,000	704,394			
3.068% 4/30/41 (b)	100,000	102,553			
3.584% 5/22/28 (b)	82,000	88,152			
3.75% 1/24/24	150,000	157,494			
4.1% 6/3/26	1,194,000	1,301,404			
4.75% 12/7/46	157,000	195,944			
5.013% 4/4/51 (b)	130,000	177,519			
Westpac Banking Corp.:					
2.894% 2/4/30 (b)	590,000	602,652			
4.11% 7/24/34 (b)	320,000	345,343			
					<u>32,471,009</u>
Capital Markets – 1.2%					
Ares Capital Corp. 2.15% 7/15/26	234,000	230,808			
Bank of New York Mellon Corp.:					
0.35% 12/7/23	1,100,000	1,090,867			
1.8% 7/28/31	80,000	78,261			
3.85% 4/28/28	27,000	30,292			
BlackRock, Inc.:					
3.375% 6/1/22	37,000	37,449			
3.5% 3/18/24	470,000	496,688			
Brookfield Finance, Inc. 2.724% 4/15/31	312,000	314,757			
Charles Schwab Corp. 2% 3/20/28	215,000	217,846			
Credit Suisse AG 0.495% 2/2/24	700,000	691,556			
Credit Suisse Group AG 4.55% 4/17/26	250,000	275,435			
Deutsche Bank AG 4.1% 1/13/26	200,000	214,527			
Deutsche Bank AG New York Branch:					
2.311% 11/16/27 (b)	150,000	149,933			
3.7% 5/30/24	200,000	210,157			
4.1% 1/13/26	200,000	213,239			
Goldman Sachs Group, Inc.:					
2.615% 4/22/32 (b)	255,000	256,831			
3.691% 6/5/28 (b)	440,000	473,811			
4.017% 10/31/38 (b)	887,000	1,014,488			
4.223% 5/1/29 (b)	60,000	66,650			
4.411% 4/23/39 (b)	100,000	119,455			

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Nonconvertible Bonds – continued

	Principal Amount	Value
FINANCIALS – continued		
Capital Markets – continued		
Goldman Sachs Group, Inc.: – continued		
4.75% 10/21/45	\$ 28,000	\$ 36,038
Intercontinental Exchange, Inc.:		
2.35% 9/15/22	34,000	34,389
2.65% 9/15/40	80,000	76,981
3% 6/15/50	138,000	138,703
3.75% 9/21/28	50,000	55,377
Jefferies Group LLC / Jefferies Group Capital Finance, Inc. 4.85% 1/15/27	100,000	113,431
Moody's Corp. 4.875% 12/17/48	123,000	163,605
Morgan Stanley:		
3 month U.S. LIBOR + 1.430% 4.457% 4/22/39 (b) (c)	295,000	353,887
2.699% 1/22/31 (b)	230,000	235,309
3.625% 1/20/27	96,000	104,079
3.971% 7/22/38 (b)	120,000	136,760
4.375% 1/22/47	148,000	185,909
5.597% 3/24/51 (b)	90,000	134,436
6.375% 7/24/42	190,000	287,842
NASDAQ, Inc. 2.5% 12/21/40	100,000	92,371
Nomura Holdings, Inc. 3.103% 1/16/30	623,000	642,186
Northern Trust Corp. 1.95% 5/1/30	220,000	217,828
State Street Corp. 1.684% 11/18/27 (b)	204,000	204,288
		<u>9,396,469</u>
Consumer Finance – 0.8%		
AerCap Ireland Capital Ltd./AerCap Global Aviation Trust:		
2.45% 10/29/26	250,000	252,050
2.875% 8/14/24	150,000	154,285
3.85% 10/29/41	150,000	156,246
4.125% 7/3/23	300,000	311,584
4.45% 4/3/26	150,000	162,933
4.5% 9/15/23	150,000	157,338
4.875% 1/16/24	150,000	159,519
Ally Financial, Inc.:		
3.05% 6/5/23	120,000	123,032
5.125% 9/30/24	290,000	316,859
5.8% 5/1/25	250,000	282,117
American Express Co.:		
2.5% 7/30/24	219,000	226,262
3.3% 5/3/27 (a)	30,000	32,164
Capital One Financial Corp. 3.8% 1/31/28	251,000	273,256
GE Capital International Funding Co. 4.418% 11/15/35	200,000	238,672
John Deere Capital Corp.:		
2.6% 3/7/24	60,000	62,046
2.8% 3/6/23	64,000	65,578
2.8% 7/18/29	220,000	232,035
3.65% 10/12/23	290,000	304,306
Synchrony Financial:		
3.95% 12/1/27	150,000	161,073
4.375% 3/19/24	45,000	47,476
5.15% 3/19/29	159,000	182,724
Toyota Motor Credit Corp.:		
0.5% 8/14/23	280,000	278,968
2.15% 9/8/22	1,000,000	1,011,197

	Principal Amount	Value
2.25% 10/18/23	\$ 113,000	\$ 115,852
3% 4/1/25	580,000	608,487
		<u>5,916,059</u>
Diversified Financial Services – 0.8%		
AB Svensk Exportkredit 0.25% 9/29/23	200,000	198,124
Berkshire Hathaway Finance Corp.:		
1.45% 10/15/30	120,000	114,923
2.85% 10/15/50	220,000	216,765
4.2% 8/15/48	243,000	294,880
Berkshire Hathaway, Inc. 4.5% 2/11/43	33,000	40,723
BP Capital Markets America, Inc. 3% 2/24/50	240,000	236,260
Brixmor Operating Partnership LP:		
4.05% 7/1/30	41,000	44,739
4.125% 5/15/29	19,000	21,049
DH Europe Finance II SARL:		
2.2% 11/15/24	70,000	71,531
2.6% 11/15/29	80,000	82,655
3.4% 11/15/49	50,000	53,578
Equitable Holdings, Inc. 4.35% 4/20/28	360,000	403,565
Fedex Corp. 2020-1 Class AA pass-thru Trust equipment trust certificate 1.875% 8/20/35	36,915	36,343
Japan International Cooperation Agency 1.75% 4/28/31	200,000	199,333
KfW:		
0.25% 10/19/23	300,000	297,395
0.375% 7/18/25	2,072,000	2,016,678
2.375% 12/29/22	996,000	1,014,744
2.625% 2/28/24	400,000	415,536
2.875% 4/3/28	14,000	15,176
Landwirtschaftliche Rentenbank 3.125% 11/14/23	80,000	83,439
		<u>5,857,436</u>
Insurance – 0.6%		
ACE INA Holdings, Inc.:		
1.375% 9/15/30	350,000	329,649
4.35% 11/3/45	128,000	158,281
AFLAC, Inc. 3.6% 4/1/30	224,000	246,916
Allstate Corp.:		
1.45% 12/15/30	110,000	103,989
5.55% 5/9/35	156,000	204,240
American International Group, Inc.:		
2.5% 6/30/25	44,000	45,368
4.25% 3/15/29	100,000	114,265
4.375% 6/30/50	240,000	299,164
4.5% 7/16/44	25,000	30,789
4.75% 4/1/48	100,000	127,369
5.75% 4/1/48 (b)	280,000	314,300
Aon Corp. 3.75% 5/2/29	120,000	131,545
Baylor Scott & White Holdings Series 2021, 2.839% 11/15/50	120,000	120,052
Brighthouse Financial, Inc. 4.7% 6/22/47	28,000	30,729
Hartford Financial Services Group, Inc. 4.4% 3/15/48	70,000	85,726
Lincoln National Corp. 4.35% 3/1/48	160,000	191,981
Marsh & McLennan Companies, Inc.:		
4.2% 3/1/48	110,000	133,510
4.9% 3/15/49	50,000	67,205
MetLife, Inc.:		
4.05% 3/1/45	18,000	21,393

See accompanying notes which are an integral part of the financial statements.

Nonconvertible Bonds – continued

	Principal Amount	Value
FINANCIALS – continued		
Insurance – continued		
MetLife, Inc.: – continued		
4.55% 3/23/30	\$ 600,000	\$ 709,086
4.875% 11/13/43	100,000	129,689
Progressive Corp. 4.2% 3/15/48	135,000	166,792
Prudential Financial, Inc.:		
3.878% 3/27/28	23,000	25,503
3.935% 12/7/49	38,000	44,326
4.35% 2/25/50	285,000	355,502
The Travelers Companies, Inc. 4% 5/30/47	32,000	38,224
Willis Group North America, Inc. 2.95% 9/15/29	170,000	174,028
		<u>4,399,621</u>
TOTAL FINANCIALS		<u>58,040,594</u>
HEALTH CARE – 2.4%		
Biotechnology – 0.4%		
AbbVie, Inc.:		
2.6% 11/21/24	60,000	62,258
2.95% 11/21/26	50,000	52,693
3.2% 11/21/29	80,000	85,535
3.8% 3/15/25	61,000	64,933
4.05% 11/21/39	50,000	57,367
4.25% 11/21/49	390,000	468,847
4.3% 5/14/36	40,000	47,153
4.55% 3/15/35	80,000	96,191
4.7% 5/14/45	120,000	148,876
4.875% 11/14/48	100,000	129,219
Amgen, Inc.:		
3.15% 2/21/40	410,000	420,461
3.2% 11/2/27	56,000	60,348
3.375% 2/21/50	110,000	114,414
4.4% 5/1/45	102,000	121,713
Biogen, Inc. 3.25% 2/15/51 (a)	270,000	264,935
Gilead Sciences, Inc.:		
2.8% 10/1/50	180,000	174,500
4% 9/1/36	40,000	46,008
4.15% 3/1/47	60,000	70,642
4.5% 2/1/45	311,000	379,135
		<u>2,865,228</u>
Health Care Equipment & Supplies – 0.3%		
Abbott Laboratories:		
3.875% 9/15/25	240,000	260,624
4.9% 11/30/46	20,000	27,344
Baxter International, Inc.:		
1.915% 2/1/27 (a)	180,000	180,660
2.539% 2/1/32 (a)	180,000	181,839
Becton, Dickinson & Co.:		
2.823% 5/20/30	150,000	155,260
3.7% 6/6/27	52,000	56,668
4.669% 6/6/47	130,000	163,908
Boston Scientific Corp.:		
3.75% 3/1/26	120,000	128,911
4% 3/1/29	100,000	111,047

	Principal Amount	Value
4.7% 3/1/49	\$ 140,000	\$ 177,320
Medtronic, Inc. 4.625% 3/15/45	168,000	220,020
Stryker Corp. 2.9% 6/15/50	100,000	100,447
		<u>1,764,048</u>
Health Care Providers & Services – 1.1%		
Aetna, Inc.:		
2.8% 6/15/23	110,000	112,707
4.75% 3/15/44	60,000	73,290
AHS Hospital Corp. 2.78% 7/1/51	250,000	247,817
Allina Health System, Inc. 3.887% 4/15/49	20,000	23,426
Anthem, Inc.:		
3.35% 12/1/24	89,000	94,017
4.101% 3/1/28	50,000	55,438
4.375% 12/1/47	175,000	213,195
4.55% 3/1/48	120,000	149,661
Banner Health 2.913% 1/1/51	100,000	101,031
Baptist Healthcare System Obli 3.54% 8/15/50	100,000	109,021
Bon Secours Mercy Health, Inc. 2.095% 6/1/31	71,000	69,712
Cardinal Health, Inc. 3.41% 6/15/27	67,000	71,856
Children's Hospital of Philadelphia 2.704% 7/1/50	79,000	76,856
Cigna Corp.:		
3.75% 7/15/23	10,000	10,399
4.125% 11/15/25	25,000	27,340
4.375% 10/15/28	30,000	34,095
4.5% 2/25/26	74,000	81,738
4.8% 8/15/38	80,000	98,400
4.8% 7/15/46	465,000	586,865
4.9% 12/15/48	30,000	38,764
CommonSpirit Health 3.91% 10/1/50	125,000	139,067
CVS Health Corp.:		
2.7% 8/21/40	467,000	449,796
3% 8/15/26	20,000	21,118
3.25% 8/15/29	195,000	207,908
3.75% 4/1/30	380,000	416,614
4.1% 3/25/25	32,000	34,491
4.25% 4/1/50	37,000	44,719
4.3% 3/25/28	264,000	296,257
5.05% 3/25/48	131,000	171,274
Franciscan Missionaries of Our Lady Health System, Inc. 3.914% 7/1/49	120,000	140,604
HCA Holdings, Inc.:		
4.5% 2/15/27	1,013,000	1,115,926
5.25% 6/15/49	100,000	128,432
Humana, Inc. 3.95% 3/15/27	445,000	486,345
INTEGRIS Baptist Medical Center, Inc. 3.875% 8/15/50	83,000	94,773
Kaiser Foundation Hospitals:		
2.81% 6/1/41	63,000	63,340
3.266% 11/1/49	80,000	85,590
4.15% 5/1/47	30,000	36,982
MidMichigan Health 3.409% 6/1/50	33,000	35,138
Novant Health, Inc. 3.168% 11/1/51	105,000	110,169
Orlando Health Obligated Group 3.327% 10/1/50	57,000	59,675
Piedmont Healthcare, Inc. 2.719% 1/1/42	37,000	36,124
Providence St. Joseph Health Obligated Group 2.7% 10/1/51	130,000	125,646
Sutter Health 3.361% 8/15/50	130,000	136,220

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Nonconvertible Bonds – continued

	Principal Amount	Value
HEALTH CARE – continued		
Health Care Providers & Services – continued		
Trinity Health Corp. 2.632% 12/1/40	\$ 50,000	\$ 49,011
UnitedHealth Group, Inc.:		
1.25% 1/15/26	81,000	80,692
2.375% 8/15/24	90,000	93,185
2.9% 5/15/50	120,000	122,238
3.5% 8/15/39	772,000	855,987
3.7% 8/15/49	40,000	46,028
3.75% 10/15/47	30,000	34,435
4.45% 12/15/48	102,000	130,167
West Virginia University Health System Obligated Group 3.129% 6/1/50	70,000	68,848
		<u>8,192,427</u>
Life Sciences Tools & Services – 0.0%		
PerkinElmer, Inc. 2.25% 9/15/31	90,000	87,512
Pharmaceuticals – 0.6%		
AstraZeneca Finance LLC:		
1.2% 5/28/26	290,000	286,306
2.25% 5/28/31	290,000	292,029
AstraZeneca PLC:		
4.375% 11/16/45	45,000	57,627
4.375% 8/17/48	50,000	64,527
Bristol-Myers Squibb Co.:		
2.9% 7/26/24	70,000	73,250
4.125% 6/15/39	100,000	118,285
4.55% 2/20/48	53,000	67,686
5% 8/15/45	435,000	577,858
Eli Lilly & Co. 2.25% 5/15/50	200,000	182,924
GlaxoSmithKline Capital, Inc. 3.875% 5/15/28	130,000	145,499
Johnson & Johnson:		
1.3% 9/1/30	110,000	105,999
2.1% 9/1/40	220,000	208,172
2.45% 9/1/60	110,000	103,865
3.4% 1/15/38	116,000	130,638
Merck & Co., Inc.:		
3.7% 2/10/45	45,000	51,788
4.15% 5/18/43	266,000	323,249
Mylan NV 4.55% 4/15/28	20,000	22,387
Novartis Capital Corp.:		
1.75% 2/14/25	100,000	101,392
2.75% 8/14/50	50,000	50,498
3.1% 5/17/27	90,000	95,974
4% 11/20/45	35,000	42,457
Pfizer, Inc.:		
2.55% 5/28/40	125,000	124,711
2.7% 5/28/50	380,000	382,289
3.45% 3/15/29	70,000	77,033
4% 12/15/36	36,000	42,797
Shire Acquisitions Investments Ireland DAC 3.2% 9/23/26	110,000	116,673
Takeda Pharmaceutical Co. Ltd.:		
2.05% 3/31/30	200,000	195,850
3.025% 7/9/40	272,000	276,782
Viatris, Inc.:		
2.7% 6/22/30	100,000	100,355

	Principal Amount	Value
4% 6/22/50	\$ 100,000	\$ 106,509
Zoetis, Inc. 4.45% 8/20/48	60,000	76,645
		<u>4,602,054</u>
TOTAL HEALTH CARE		
		<u>17,511,269</u>
INDUSTRIALS – 1.9%		
Aerospace & Defense – 0.5%		
General Dynamics Corp.:		
2.125% 8/15/26	160,000	164,631
3.375% 5/15/23	81,000	83,696
4.25% 4/1/50	50,000	63,761
Lockheed Martin Corp.:		
4.09% 9/15/52	70,000	86,486
4.7% 5/15/46	28,000	36,573
Northrop Grumman Corp.:		
3.25% 1/15/28	80,000	85,617
4.03% 10/15/47	106,000	124,997
5.25% 5/1/50	120,000	168,077
Raytheon Technologies Corp.:		
3.65% 8/16/23	4,000	4,159
3.75% 11/1/46	30,000	33,421
4.05% 5/4/47	18,000	20,829
4.125% 11/16/28	260,000	290,821
4.35% 4/15/47	50,000	60,754
4.45% 11/16/38	370,000	445,923
The Boeing Co.:		
3.2% 3/1/29	126,000	129,677
4.875% 5/1/25	660,000	722,087
5.705% 5/1/40	836,000	1,073,765
5.805% 5/1/50	130,000	176,036
		<u>3,771,310</u>
Air Freight & Logistics – 0.1%		
FedEx Corp.:		
4.05% 2/15/48	150,000	168,399
4.25% 5/15/30	175,000	198,994
4.95% 10/17/48	102,000	130,287
United Parcel Service, Inc.:		
2.8% 11/15/24	88,000	91,948
5.3% 4/1/50	170,000	251,129
		<u>840,757</u>
Airlines – 0.1%		
Southwest Airlines Co. 5.125% 6/15/27	595,000	680,217
United Airlines pass-thru trust equipment trust certificate 3.1% 1/7/30	216,957	223,210
		<u>903,427</u>
Building Products – 0.1%		
Carrier Global Corp.:		
2.493% 2/15/27	50,000	51,366
2.722% 2/15/30	100,000	102,124
3.377% 4/5/40	195,000	203,739
3.577% 4/5/50	50,000	53,161
Masco Corp.:		
2% 2/15/31	103,000	98,708
3.125% 2/15/51	52,000	51,661
		<u>560,759</u>

See accompanying notes which are an integral part of the financial statements.

Nonconvertible Bonds – continued

	Principal Amount	Value
INDUSTRIALS – continued		
Commercial Services & Supplies – 0.1%		
Republic Services, Inc.:		
1.45% 2/15/31	\$ 500,000	\$ 464,948
3.95% 5/15/28	28,000	31,010
		<u>495,958</u>
Industrial Conglomerates – 0.2%		
3M Co.:		
2.375% 8/26/29	177,000	181,567
2.65% 4/15/25	24,000	25,050
3.05% 4/15/30	19,000	20,373
3.7% 4/15/50	24,000	28,130
General Electric Co. 4.35% 5/1/50	489,000	606,301
Honeywell International, Inc.:		
2.8% 6/1/50	150,000	155,921
3.812% 11/21/47	20,000	23,883
Roper Technologies, Inc.:		
1% 9/15/25	50,000	48,851
1.4% 9/15/27	50,000	48,516
1.75% 2/15/31	50,000	46,950
2% 6/30/30	330,000	317,255
		<u>1,502,797</u>
Machinery – 0.3%		
Caterpillar Financial Services Corp.:		
0.45% 9/14/23	170,000	169,227
1.1% 9/14/27	530,000	513,840
3.45% 5/15/23	182,000	188,274
3.65% 12/7/23	310,000	326,314
Caterpillar, Inc. 3.25% 9/19/49	110,000	120,559
Deere & Co. 2.875% 9/7/49	130,000	134,257
Ingersoll-Rand Luxembourg Finance SA 3.8% 3/21/29	125,000	136,539
Otis Worldwide Corp.:		
2.056% 4/5/25	48,000	48,798
2.565% 2/15/30	70,000	71,006
3.362% 2/15/50	50,000	52,691
Parker Hannifin Corp. 4% 6/14/49	110,000	128,570
		<u>1,890,075</u>
Professional Services – 0.0%		
Thomson Reuters Corp. 3.35% 5/15/26	76,000	80,653
Road & Rail – 0.4%		
Burlington Northern Santa Fe LLC:		
3.05% 2/15/51	211,000	218,329
3.25% 6/15/27	30,000	32,284
4.05% 6/15/48	207,000	248,932
Canadian National Railway Co. 2.45% 5/1/50	210,000	195,382
Canadian Pacific Railway Co.:		
1.75% 12/2/26	140,000	140,505
2.45% 12/2/31	140,000	142,741
3.1% 12/2/51	140,000	143,965
CSX Corp.:		
4.3% 3/1/48	140,000	170,888
4.5% 3/15/49	160,000	198,581
4.75% 11/15/48	70,000	90,066
Norfolk Southern Corp.:		
3.8% 8/1/28	63,000	69,535

	Principal Amount	Value
4.05% 8/15/52	\$ 90,000	\$ 108,167
4.15% 2/28/48	38,000	45,273
Union Pacific Corp.:		
2.75% 3/1/26	160,000	167,619
2.891% 4/6/36	79,000	82,788
2.973% 9/16/62	290,000	286,682
3.25% 2/5/50	50,000	53,589
3.5% 6/8/23	270,000	279,258
3.6% 9/15/37	38,000	42,137
3.839% 3/20/60	70,000	82,414
		<u>2,799,135</u>
Trading Companies & Distributors – 0.1%		
Air Lease Corp.:		
2.875% 1/15/26	120,000	123,773
3.25% 3/1/25	88,000	91,312
3.75% 6/1/26	158,000	168,388
3.875% 7/3/23	526,000	544,765
4.25% 2/1/24	170,000	179,105
		<u>1,107,343</u>
TOTAL INDUSTRIALS		
		<u>13,952,214</u>
INFORMATION TECHNOLOGY – 1.9%		
Electronic Equipment & Components – 0.1%		
Corning, Inc. 5.35% 11/15/48	10,000	13,790
Dell International LLC/EMC Corp.:		
5.3% 10/1/29	390,000	457,156
8.1% 7/15/36	80,000	121,728
8.35% 7/15/46	187,000	310,889
		<u>903,563</u>
IT Services – 0.6%		
CDW LLC/CDW Finance Corp. 2.67% 12/1/26	150,000	153,691
Fidelity National Information Services, Inc.:		
1.15% 3/1/26	246,000	239,622
2.25% 3/1/31	200,000	195,587
Fiserv, Inc.:		
2.75% 7/1/24	440,000	455,102
3.5% 7/1/29	80,000	86,035
4.4% 7/1/49	240,000	285,923
Global Payments, Inc. 1.2% 3/1/26	346,000	335,849
IBM Corp.:		
1.95% 5/15/30	175,000	171,079
2.95% 5/15/50	175,000	170,902
3.5% 5/15/29	843,000	914,858
MasterCard, Inc.:		
2.95% 6/1/29	50,000	53,563
3.3% 3/26/27	38,000	41,064
3.35% 3/26/30	53,000	58,303
3.85% 3/26/50	115,000	138,208
PayPal Holdings, Inc.:		
1.65% 6/1/25	70,000	70,855
2.3% 6/1/30	120,000	121,878
The Western Union Co. 2.85% 1/10/25	70,000	72,444
Visa, Inc.:		
1.1% 2/15/31	250,000	233,392

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Nonconvertible Bonds – continued

	Principal Amount	Value
INFORMATION TECHNOLOGY – continued		
IT Services – continued		
Visa, Inc.: – continued		
2.05% 4/15/30	\$ 350,000	\$ 354,516
2.7% 4/15/40	150,000	153,275
4.15% 12/14/35	38,000	45,476
		<u>4,351,622</u>
Semiconductors & Semiconductor Equipment – 0.5%		
Analog Devices, Inc. 2.8% 10/1/41	130,000	131,487
Applied Materials, Inc. 4.35% 4/1/47	28,000	35,552
Broadcom Corp./Broadcom Cayman LP 3.5% 1/15/28	1,134,000	1,211,372
Broadcom, Inc.:		
3.419% 4/15/33 (a)	82,000	85,961
4.3% 11/15/32	250,000	280,944
4.75% 4/15/29	50,000	56,915
5% 4/15/30	50,000	58,211
Intel Corp.:		
3.25% 11/15/49	110,000	116,096
3.734% 12/8/47	617,000	702,763
Lam Research Corp. 2.875% 6/15/50	150,000	149,460
NVIDIA Corp.:		
2% 6/15/31	216,000	214,867
2.85% 4/1/30	100,000	106,214
3.5% 4/1/40	50,000	56,190
3.5% 4/1/50	50,000	56,999
NXP BV/NXP Funding LLC/NXP U.S.A., Inc. 2.65% 2/15/32 (a)	270,000	270,813
Qualcomm, Inc. 1.65% 5/20/32	54,000	51,064
Texas Instruments, Inc. 4.15% 5/15/48	70,000	87,325
		<u>3,672,233</u>
Software – 0.4%		
Microsoft Corp.:		
2.525% 6/1/50	326,000	317,911
2.921% 3/17/52	534,000	566,958
3.3% 2/6/27	115,000	125,318
3.45% 8/8/36	31,000	35,683
Oracle Corp.:		
1.65% 3/25/26	207,000	205,399
2.5% 4/1/25	80,000	81,875
2.95% 4/1/30	150,000	151,705
3.25% 11/15/27	96,000	101,081
3.6% 4/1/50	300,000	293,742
3.8% 11/15/37	110,000	114,849
3.85% 4/1/60	80,000	78,996
4% 11/15/47	187,000	194,152
5.375% 7/15/40	641,000	782,731
		<u>3,050,400</u>
Technology Hardware, Storage & Peripherals – 0.3%		
Apple, Inc.:		
1.125% 5/11/25	772,000	769,575
1.25% 8/20/30	50,000	47,129
2.375% 2/8/41	330,000	320,246
2.55% 8/20/60	200,000	187,821
2.95% 9/11/49	240,000	247,237
3% 11/13/27	96,000	103,149
3.75% 11/13/47	57,000	66,897

	Principal Amount	Value
3.85% 5/4/43	\$ 369,000	\$ 434,526
4.5% 2/23/36	90,000	112,916
HP, Inc. 2.2% 6/17/25	160,000	163,306
		<u>2,452,802</u>
TOTAL INFORMATION TECHNOLOGY		<u>14,430,620</u>
MATERIALS – 0.8%		
Chemicals – 0.6%		
Air Products & Chemicals, Inc.:		
1.5% 10/15/25	100,000	100,317
2.05% 5/15/30	60,000	60,352
2.7% 5/15/40	60,000	60,505
2.8% 5/15/50	100,000	102,455
DuPont de Nemours, Inc.:		
4.205% 11/15/23	30,000	31,724
4.725% 11/15/28	35,000	40,538
5.319% 11/15/38	679,000	874,912
Eastman Chemical Co. 4.5% 12/1/28	174,000	197,784
Ecolab, Inc. 1.3% 1/30/31	300,000	281,182
LYB International Finance II BV 3.5% 3/2/27	166,000	178,560
LYB International Finance III LLC:		
3.375% 10/1/40	20,000	20,830
3.625% 4/1/51	120,000	126,990
4.2% 10/15/49	100,000	115,499
Nutrien Ltd.:		
4.2% 4/1/29	13,000	14,665
5% 4/1/49	103,000	137,912
Sherwin-Williams Co.:		
3.45% 6/1/27	290,000	313,744
3.8% 8/15/49	80,000	89,997
4.5% 6/1/47	50,000	62,310
The Dow Chemical Co.:		
2.1% 11/15/30	250,000	245,770
3.6% 11/15/50	150,000	162,432
4.8% 5/15/49	50,000	63,606
7.375% 11/1/29	46,000	61,892
The Mosaic Co. 4.05% 11/15/27	90,000	99,310
Westlake Chemical Corp. 3.6% 8/15/26	625,000	670,259
		<u>4,113,545</u>
Containers & Packaging – 0.1%		
International Paper Co. 4.8% 6/15/44		
	155,000	195,910
WRKCo, Inc. 4.65% 3/15/26	290,000	323,350
		<u>519,260</u>
Metals & Mining – 0.1%		
Barrick Gold Corp. 5.25% 4/1/42		
	163,000	211,380
BHP Billiton Financial (U.S.A.) Ltd. 5% 9/30/43	176,000	232,748
Newmont Corp.:		
2.25% 10/1/30	100,000	98,592
2.8% 10/1/29	100,000	102,819
5.45% 6/9/44	80,000	106,345
Southern Copper Corp. 5.875% 4/23/45	30,000	40,984
Vale Overseas Ltd. 3.75% 7/8/30	300,000	309,994
		<u>1,102,862</u>

See accompanying notes which are an integral part of the financial statements.

Nonconvertible Bonds – continued

	Principal Amount	Value
MATERIALS – continued		
Paper & Forest Products – 0.0%		
Suzano Austria GmbH 2.5% 9/15/28	\$ 298,000	\$ 287,477
TOTAL MATERIALS		6,023,144
REAL ESTATE – 0.8%		
Equity Real Estate Investment Trusts (REITs) – 0.8%		
Alexandria Real Estate Equities, Inc.:		
2% 5/18/32	125,000	119,376
3% 5/18/51	125,000	123,456
4.85% 4/15/49	90,000	116,309
American Tower Corp.:		
2.1% 6/15/30	160,000	154,054
3.1% 6/15/50	160,000	155,599
3.6% 1/15/28	32,000	34,474
3.8% 8/15/29	70,000	76,153
AvalonBay Communities, Inc.:		
2.3% 3/1/30	130,000	131,509
3.2% 1/15/28	63,000	67,340
Boston Properties, Inc. 3.65% 2/1/26		
100,000	107,129	
Crown Castle International Corp.:		
1.35% 7/15/25	79,000	77,931
2.25% 1/15/31	100,000	97,425
3.25% 1/15/51	40,000	39,305
3.7% 6/15/26	100,000	107,170
Duke Realty LP 1.75% 2/1/31	370,000	350,096
ERP Operating LP:		
3.5% 3/1/28	61,000	66,241
4.15% 12/1/28	330,000	372,239
Healthpeak Properties, Inc. 3% 1/15/30		
140,000	146,964	
Kimco Realty Corp.:		
1.9% 3/1/28	570,000	564,088
3.3% 2/1/25	180,000	189,186
National Retail Properties, Inc. 3% 4/15/52		
100,000	94,509	
Omega Healthcare Investors, Inc. 5.25% 1/15/26		
230,000	255,767	
Prologis LP 3% 4/15/50		
145,000	149,353	
Realty Income Corp.:		
3.25% 1/15/31	220,000	236,558
3.4% 1/15/28	230,000	248,043
Simon Property Group LP:		
2.65% 7/15/30	125,000	127,340
3.375% 12/1/27	935,000	1,005,382
UDR, Inc. 2.1% 6/15/33		
80,000	75,428	
Ventas Realty LP:		
4.4% 1/15/29	40,000	45,395
4.875% 4/15/49	160,000	199,930
Welltower, Inc. 4.95% 9/1/48	76,000	99,220
		5,632,969
Real Estate Management & Development – 0.0%		
Essex Portfolio LP 2.65% 3/15/32	170,000	170,539
TOTAL REAL ESTATE		5,803,508

	Principal Amount	Value
UTILITIES – 1.8%		
Electric Utilities – 1.2%		
Appalachian Power Co.:		
3.3% 6/1/27	\$ 110,000	\$ 117,340
4.45% 6/1/45	18,000	21,001
4.5% 3/1/49	90,000	108,133
Baltimore Gas & Electric Co.:		
2.9% 6/15/50	200,000	198,709
3.2% 9/15/49	150,000	156,633
CenterPoint Energy Houston Electric LLC 3.35% 4/1/51		
250,000	274,772	
Commonwealth Edison Co. 4% 3/1/48		
42,000	49,057	
Duke Energy Carolinas LLC:		
2.45% 8/15/29	190,000	193,305
3.95% 3/15/48	31,000	35,710
4.25% 12/15/41	341,000	401,762
Duke Energy Corp.:		
2.45% 6/1/30	182,000	180,691
3.75% 9/1/46	80,000	85,352
3.95% 8/15/47	250,000	275,984
4.2% 6/15/49	90,000	102,916
Entergy Corp. 0.9% 9/15/25		
400,000	387,413	
Entergy, Inc. 3.55% 9/30/49		
29,000	30,589	
Eversource Energy:		
2.55% 3/15/31	120,000	120,330
3.3% 1/15/28	62,000	66,057
3.45% 1/15/50	60,000	63,138
Exelon Corp.:		
3.4% 4/15/26	150,000	159,784
4.05% 4/15/30	150,000	166,659
4.45% 4/15/46	144,000	172,000
FirstEnergy Corp.:		
1.6% 1/15/26	85,000	82,026
5.35% 7/15/47	140,000	166,426
Florida Power & Light Co.:		
2.85% 4/1/25	167,000	174,386
4.125% 6/1/48	26,000	31,928
Interstate Power and Light Co. 2.3% 6/1/30		
93,000	92,470	
Kentucky Utilities Co. 5.125% 11/1/40		
100,000	127,274	
MidAmerican Energy Co.:		
3.65% 4/15/29	190,000	209,371
3.65% 8/1/48	30,000	33,719
NextEra Energy Capital Holdings, Inc.:		
1.875% 1/15/27	500,000	502,965
2.44% 1/15/32	500,000	501,117
3.5% 4/1/29	140,000	150,170
Northern States Power Co.:		
2.9% 3/1/50	80,000	80,766
3.6% 9/15/47	50,000	56,208
Oncor Electric Delivery Co. LLC:		
3.1% 9/15/49	100,000	104,348
3.75% 4/1/45	120,000	136,503
Pacific Gas & Electric Co. 3.5% 8/1/50		
682,000	631,779	
PacifiCorp 6% 1/15/39		
235,000	321,603	
PECO Energy Co. 3.9% 3/1/48		
96,000	112,063	
PPL Capital Funding, Inc. 4% 9/15/47		
20,000	23,290	

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Nonconvertible Bonds – continued

	Principal Amount	Value
UTILITIES – continued		
Electric Utilities – continued		
PPL Electric Utilities Corp. 3% 10/1/49	\$ 100,000	\$ 102,321
Public Service Co. of Colorado:		
3.7% 6/15/28	87,000	95,436
6.25% 9/1/37	182,000	265,474
Public Service Electric & Gas Co.:		
2.45% 1/15/30	70,000	71,201
3.15% 1/1/50	70,000	73,171
3.6% 12/1/47	44,000	49,313
Puget Sound Energy, Inc. 4.223% 6/15/48	45,000	53,200
Southern California Edison Co. 4% 4/1/47	562,000	619,669
Southern Co. 3.25% 7/1/26	112,000	118,483
Southwestern Electric Power Co. 3.85% 2/1/48	190,000	204,426
Tampa Electric Co. 4.45% 6/15/49	100,000	125,666
Virginia Electric & Power Co.:		
3.3% 12/1/49	60,000	63,748
3.8% 9/15/47	50,000	56,489
4.6% 12/1/48	52,000	66,336
Xcel Energy, Inc.:		
3.4% 6/1/30	63,000	67,599
4% 6/15/28	76,000	83,745
		<u>9,022,024</u>
Gas Utilities – 0.1%		
Dominion Gas Holdings LLC 2.5% 11/15/24	50,000	51,484
Southern Co. Gas Capital Corp. 3.95% 10/1/46	308,000	338,014
		<u>389,498</u>
Independent Power and Renewable Electricity Producers – 0.0%		
Southern Power Co. 4.95% 12/15/46	80,000	97,218
Multi-Utilities – 0.5%		
Berkshire Hathaway Energy Co.:		
4.25% 10/15/50	290,000	354,260
4.45% 1/15/49	54,000	66,694
CenterPoint Energy, Inc. 3.7% 9/1/49	80,000	86,407
Consolidated Edison Co. of New York, Inc.:		
3.95% 4/1/50	130,000	148,512
4.65% 12/1/48	50,000	61,851
5.5% 12/1/39	256,000	329,036
Dominion Energy, Inc.:		
3.375% 4/1/30	720,000	764,073
4.6% 3/15/49	50,000	62,382
4.7% 12/1/44	26,000	32,058
7% 6/15/38	130,000	188,344
NiSource, Inc.:		
0.95% 8/15/25	280,000	272,542
2.95% 9/1/29	190,000	196,900
3.49% 5/15/27	50,000	53,672
3.95% 3/30/48	46,000	51,665
5.25% 2/15/43	156,000	199,539
Puget Energy, Inc. 4.1% 6/15/30	200,000	216,189
Sempra Energy 6% 10/15/39	274,000	378,173
		<u>3,462,297</u>

	Principal Amount	Value
Water Utilities – 0.0%		
American Water Capital Corp. 3.75% 9/1/47	\$ 240,000	\$ 267,642
TOTAL UTILITIES		<u>13,238,679</u>
TOTAL NONCONVERTIBLE BONDS		
(Cost \$182,502,702)		184,971,362

U.S. Government and Government Agency Obligations – 41.8%

	Principal Amount	Value
U.S. Government Agency Obligations – 0.8%		
Fannie Mae:		
0.375% 8/25/25	95,000	92,403
0.5% 6/17/25	2,248,000	2,203,154
0.625% 4/22/25	258,000	254,435
0.875% 8/5/30	339,000	319,453
1.75% 7/2/24	100,000	102,191
1.875% 9/24/26	60,000	61,651
Federal Home Loan Bank:		
0.375% 9/4/25	160,000	155,623
1.5% 8/15/24	100,000	101,605
Freddie Mac:		
0.25% 8/24/23	500,000	496,754
0.375% 7/21/25	448,000	436,609
0.375% 9/23/25	231,000	224,744
6.25% 7/15/32	360,000	517,169
Tennessee Valley Authority:		
0.75% 5/15/25	600,000	591,727
2.875% 2/1/27	130,000	138,990
4.25% 9/15/65	30,000	43,777
5.88% 4/1/36	260,000	379,097
TOTAL U.S. GOVERNMENT AGENCY OBLIGATIONS		<u>6,119,382</u>

U.S. Treasury Obligations – 41.0%

	Principal Amount	Value
U.S. Treasury Bonds:		
1.125% 5/15/40	5,241,000	4,593,655
1.125% 8/15/40	331,000	289,004
1.25% 5/15/50	2,000	1,698
1.375% 11/15/40	4,560,000	4,155,656
1.375% 8/15/50	9,435,000	8,264,839
1.625% 11/15/50	4,518,000	4,209,329
1.75% 8/15/41	2,650,000	2,569,258
1.875% 2/15/41	6,405,000	6,339,699
1.875% 2/15/51	1,904,000	1,883,770
1.875% 11/15/51	1,460,000	1,448,366
2% 11/15/41	490,000	495,589
2% 2/15/50	287,000	291,518
2% 8/15/51	2,374,000	2,419,996
2.25% 8/15/46	110,000	116,308
2.25% 8/15/49	129,000	138,065
2.375% 11/15/49	199,000	218,605
2.375% 5/15/51	1,985,000	2,192,495
2.5% 2/15/45	128,000	140,765

See accompanying notes which are an integral part of the financial statements.

U.S. Government and Government Agency Obligations – continued

	Principal Amount	Value		Principal Amount	Value
U.S. Treasury Obligations – continued					
U.S. Treasury Bonds: – continued					
2.5% 2/15/46	\$ 342,000	\$ 377,790	0.125% 3/31/23	\$ 5,226,000	\$ 5,201,911
2.5% 5/15/46	93,000	102,783	0.125% 4/30/23	751,000	746,981
2.75% 8/15/42	197,000	224,457	0.125% 5/15/23	806,000	801,372
2.75% 11/15/42	587,000	668,997	0.125% 7/15/23	534,000	530,141
2.75% 8/15/47	51,000	59,347	0.125% 9/15/23	23,903,000	23,684,512
2.75% 11/15/47	107,000	124,571	0.125% 10/15/23	3,458,000	3,423,420
2.875% 5/15/43	190,000	220,786	0.125% 12/15/23	357,000	352,900
2.875% 8/15/45	586,000	688,024	0.125% 1/15/24	908,000	896,544
2.875% 5/15/49	1,000	1,205	0.125% 2/15/24	2,144,000	2,116,027
3% 5/15/42	89,000	105,389	0.25% 6/15/23	3,000	2,986
3% 11/15/44	2,149,000	2,562,683	0.25% 5/15/24	524,000	516,856
3% 5/15/45	4,000	4,784	0.25% 5/31/25	3,744,000	3,641,918
3% 11/15/45	744,000	893,788	0.25% 6/30/25	945,000	918,090
3% 2/15/47	49,000	59,298	0.25% 7/31/25	3,265,000	3,167,050
3% 5/15/47	208,000	252,460	0.25% 8/31/25	154,000	149,181
3% 2/15/48	87,000	106,188	0.25% 9/30/25	14,303,000	13,850,444
3% 8/15/48	3,000	3,671	0.25% 10/31/25	2,234,000	2,159,213
3% 2/15/49	134,000	164,747	0.375% 3/31/22	94,000	94,064
3.125% 11/15/41	113,000	135,790	0.375% 10/31/23	599,000	595,467
3.125% 2/15/42	65,000	78,312	0.375% 4/15/24	2,669,000	2,642,206
3.125% 2/15/43	838,000	1,010,019	0.375% 7/15/24	120,000	118,519
3.125% 8/15/44	687,000	834,249	0.375% 8/15/24	1,798,000	1,774,261
3.125% 5/15/48	169,000	211,210	0.375% 4/30/25	1,897,000	1,854,910
3.375% 5/15/44	1,976,000	2,487,676	0.375% 11/30/25	3,253,000	3,154,775
3.375% 11/15/48	157,000	205,419	0.375% 1/31/26	2,692,000	2,604,300
3.5% 2/15/39	8,000	10,036	0.375% 7/31/27	1,259,000	1,195,804
3.625% 8/15/43	971,000	1,259,569	0.375% 9/30/27	1,571,000	1,486,988
3.625% 2/15/44	2,647,000	3,444,719	0.5% 3/15/23	3,412,000	3,413,333
3.75% 8/15/41	45,000	58,772	0.5% 11/30/23	4,620,000	4,602,314
3.75% 11/15/43	2,130,000	2,816,842	0.5% 3/31/25	1,366,000	1,343,322
3.875% 8/15/40	52,000	68,536	0.5% 2/28/26	10,148,000	9,859,813
4.375% 2/15/38	12,000	16,536	0.5% 4/30/27	718,000	688,719
4.375% 11/15/39	24,000	33,449	0.5% 5/31/27	4,223,000	4,043,687
4.375% 5/15/41	32,000	45,079	0.5% 6/30/27	2,827,000	2,705,086
4.5% 5/15/38	92,000	128,645	0.5% 10/31/27	4,372,000	4,160,573
4.5% 8/15/39	17,000	24,007	0.625% 7/31/26	5,694,000	5,536,748
4.75% 2/15/41	48,000	70,618	0.625% 3/31/27	2,260,000	2,184,520
5.5% 8/15/28	4,000	5,031	0.625% 11/30/27	1,680,000	1,609,059
7.125% 2/15/23	175,000	188,016	0.625% 12/31/27	5,260,000	5,032,957
7.25% 8/15/22	190,000	198,164	0.625% 5/15/30	4,809,000	4,496,415
U.S. Treasury Notes:			0.625% 8/15/30	2,310,000	2,154,255
0.125% 4/30/22	274,000	274,007	0.75% 11/15/24	3,110,000	3,092,506
0.125% 5/31/22	21,000	20,997	0.75% 3/31/26	3,001,000	2,944,028
0.125% 6/30/22	1,374,000	1,373,463	0.75% 4/30/26	1,731,000	1,696,718
0.125% 7/31/22	2,050,000	2,048,559	0.75% 5/31/26	1,269,000	1,242,926
0.125% 8/31/22	176,000	175,849	0.75% 1/31/28	598,000	575,855
0.125% 9/30/22	42,000	41,944	0.875% 11/15/30	5,503,000	5,231,934
0.125% 10/31/22	1,955,000	1,951,716	1% 7/31/28	1,229,000	1,196,499
0.125% 11/30/22	1,068,000	1,065,580	1.125% 2/28/22	9,000	9,015
0.125% 12/31/22	1,557,000	1,552,195	1.125% 10/31/26	3,690,000	3,665,496
0.125% 1/31/23	93,000	92,680	1.125% 2/28/27	691,000	685,656
0.125% 2/28/23	2,598,000	2,587,344	1.125% 2/29/28	3,054,000	3,009,622
			1.125% 8/31/28	110,000	107,869
			1.125% 2/15/31	4,129,000	4,007,227
			1.25% 8/31/24	1,923,000	1,940,653

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

U.S. Government and Government Agency Obligations – continued

	Principal Amount	Value
U.S. Treasury Obligations – continued		
U.S. Treasury Notes: – continued		
1.25% 3/31/28	\$ 2,888,000	\$ 2,862,279
1.25% 4/30/28	2,488,000	2,465,355
1.25% 6/30/28	2,989,000	2,958,409
1.25% 9/30/28	748,000	739,205
1.25% 8/15/31	5,533,000	5,409,372
1.375% 1/31/22	29,000	29,029
1.375% 2/15/23	2,303,000	2,327,020
1.375% 1/31/25	1,386,000	1,401,809
1.375% 8/31/26	253,000	254,473
1.375% 10/31/28	580,000	577,644
1.375% 11/15/31	600,000	592,406
1.5% 8/15/22	681,000	686,241
1.5% 9/15/22	174,000	175,489
1.5% 1/15/23	2,392,000	2,418,061
1.5% 9/30/24	1,783,000	1,811,138
1.5% 10/31/24	2,714,000	2,756,512
1.5% 11/30/24	2,519,000	2,558,556
1.5% 8/15/26	557,000	563,310
1.5% 1/31/27	2,284,000	2,309,249
1.5% 11/30/28	970,000	973,789
1.5% 2/15/30	1,266,000	1,272,528
1.625% 8/31/22	562,000	567,071
1.625% 11/15/22	697,000	704,460
1.625% 2/15/26	261,000	265,486
1.625% 5/15/26	264,000	268,424
1.625% 9/30/26	653,000	664,096
1.625% 10/31/26	457,000	464,730
1.625% 11/30/26	180,000	183,066
1.625% 8/15/29	466,000	472,753
1.625% 5/15/31	2,023,000	2,048,604
1.75% 2/28/22	101,000	101,265
1.75% 6/15/22	25,000	25,181
1.75% 6/30/22	336,000	338,546
1.75% 7/15/22	1,795,000	1,809,374
1.75% 6/30/24	805,000	822,546
1.75% 7/31/24	2,907,000	2,972,067
1.75% 12/31/24	2,363,000	2,416,906
1.75% 12/31/26	527,000	539,352
1.875% 5/31/22	115,000	115,813
1.875% 9/30/22	358,000	362,125
1.875% 6/30/26	589,000	605,474
1.875% 7/31/26	909,000	934,743
2% 10/31/22	48,000	48,647
2% 5/31/24	442,000	454,138
2% 2/15/25	82,000	84,460
2% 8/15/25	50,000	51,566
2% 11/15/26	585,000	605,132
2.125% 12/31/22	19,000	19,315
2.125% 3/31/24	1,201,000	1,236,092
2.125% 5/15/25	13,000	13,457
2.25% 4/30/24	1,443,000	1,490,179
2.25% 10/31/24	279,000	289,201

	Principal Amount	Value
2.25% 12/31/24	\$ 160,000	\$ 166,013
2.25% 2/15/27	393,000	411,683
2.25% 8/15/27	639,000	670,301
2.25% 11/15/27	682,000	716,020
2.375% 3/15/22	3,000	3,014
2.375% 1/31/23	239,000	243,929
2.375% 2/29/24	394,000	407,359
2.375% 4/30/26	405,000	424,728
2.375% 5/15/27	46,000	48,548
2.375% 5/15/29	108,000	115,109
2.5% 1/15/22	5,000	5,004
2.5% 2/15/22	8,000	8,023
2.5% 8/15/23	57,000	58,706
2.5% 1/31/24	3,559,000	3,686,345
2.5% 5/15/24	217,000	225,426
2.5% 1/31/25	238,000	248,831
2.5% 2/28/26	191,000	201,050
2.625% 2/28/23	492,000	504,165
2.625% 6/30/23	1,031,000	1,062,212
2.625% 12/31/23	1,205,000	1,249,858
2.625% 12/31/25	331,000	349,981
2.625% 1/31/26	461,000	487,453
2.625% 2/15/29	391,000	422,692
2.75% 4/30/23	84,000	86,454
2.75% 5/31/23	176,000	181,431
2.75% 7/31/23	700,000	723,488
2.75% 8/31/23	1,634,000	1,690,041
2.75% 6/30/25	113,000	119,449
2.75% 2/15/28	363,000	392,324
2.875% 10/31/23	810,000	841,925
2.875% 11/30/23	1,045,000	1,087,780
2.875% 5/31/25	144,000	152,679
2.875% 5/15/28	216,000	235,330
2.875% 8/15/28	113,000	123,408
3% 9/30/25	148,000	158,106
3% 10/31/25	130,000	139,034
3.125% 11/15/28	940,000	1,044,832
TOTAL U.S. TREASURY OBLIGATIONS		304,631,130

TOTAL U.S. GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS
(Cost \$311,729,205) **310,750,512**

U.S. Government Agency – Mortgage Securities – 27.8%

	Principal Amount	Value
Fannie Mae – 12.9%		
1.5% 10/1/36 to 12/1/51	8,160,621	8,077,690
2% 7/1/35 to 12/1/51	28,344,564	28,450,003
2.5% 1/1/27 to 12/1/51	14,839,733	15,231,771
3% 4/1/32 to 2/1/51	20,136,246	20,984,859
3.5% 2/1/27 to 8/1/50	9,823,366	10,496,107
4% 6/1/34 to 7/1/50	6,156,476	6,576,876
4.5% 10/1/39 to 12/1/50	3,778,219	4,054,007

See accompanying notes which are an integral part of the financial statements.

U.S. Government Agency – Mortgage Securities – continued

	Principal Amount	Value
Fannie Mae – continued		
5% 7/1/48 to 10/1/50	\$ 1,145,204	\$ 1,246,274
5.5% 5/1/44 to 4/1/49	276,052	302,953
TOTAL FANNIE MAE		<u>95,420,540</u>
Freddie Mac – 8.1%		
1.5% 10/1/36 to 11/1/51	3,681,932	3,583,183
2% 10/1/30 to 12/1/51	21,222,139	21,300,372
2% 9/1/35	284,380	291,732
2% 11/1/35	411,029	421,527
2% 11/1/35	130,353	133,683
2.5% 4/1/27 to 12/1/51	17,685,164	18,119,832
3% 1/1/29 to 4/1/50	1,572,090	1,641,396
3% 8/1/47	30,604	31,966
3.5% 7/1/33 to 3/1/50	5,579,123	5,951,326
4% 3/1/26 to 10/1/50	4,689,997	5,000,749
4.5% 7/1/41 to 4/1/50	1,333,224	1,434,813
5% 6/1/30 to 5/1/50	2,069,572	2,250,322
5.5% 6/1/49	248,888	269,467
TOTAL FREDDIE MAC		<u>60,430,368</u>
Ginnie Mae – 5.9%		
1.5% 5/20/51	125,944	122,885
2% 3/20/51 to 12/20/51	9,540,085	9,640,540
2% 1/1/52 (d)	1,000,000	1,009,635
2.5% 10/20/46 to 10/20/51	9,446,518	9,688,867
2.5% 1/1/52 (d)	700,000	717,524
3% 7/20/42 to 10/20/51	8,505,681	8,839,791
3% 1/1/52 (d)	150,000	155,280
3.5% 2/20/46 to 2/20/51	7,183,662	7,494,561
3.5% 1/1/52 (d)	100,000	104,143
4% 4/20/47 to 1/20/51	3,442,523	3,629,270
4.5% 1/20/47 to 3/20/51	1,686,422	1,787,290
5% 11/20/47 to 4/20/50	653,110	699,625
5.5% 9/20/47 to 1/20/49	51,211	56,860
TOTAL GINNIE MAE		<u>43,946,271</u>
Uniform Mortgage Backed Securities – 0.9%		
1.5% 1/1/37 (d)	500,000	501,949
2% 1/1/37 (d)	1,000,000	1,024,867
2% 1/1/52 (d)	2,300,000	2,294,466
2.5% 1/1/52 (d)	2,600,000	2,654,845
4% 1/1/52 (d)	100,000	106,440
4.5% 1/1/52 (d)	100,000	107,230
TOTAL UNIFORM MORTGAGE BACKED SECURITIES		<u>6,689,797</u>
TOTAL U.S. GOVERNMENT AGENCY – MORTGAGE SECURITIES (Cost \$207,615,989)		<u>206,486,976</u>

Asset-Backed Securities – 0.3%

	Principal Amount	Value
Capital One Multi-Asset Execution Trust Series 2019-A3 Class A3, 2.06% 8/15/28	\$116,000	\$ 119,289
CarMax Auto Owner Trust:		
Series 2018-3 Class A3, 3.13% 6/15/23	2,847	2,855
Series 2021-1 Class A3, 0.34% 12/15/25	400,000	396,481
Citibank Credit Card Issuance Trust:		
Series 2018-A6 Class A6, 3.21% 12/7/24	100,000	102,483
Series 2018-A7 Class A7, 3.96% 10/13/30	250,000	286,653
Ford Credit Auto Lease Trust Series 2021-A Class A3, 0.26% 2/15/24	400,000	399,218
Ford Credit Floorplan Master Owner Trust Series 2018-4 Class A, 4.06% 11/15/30	30,000	33,604
GM Financial Consumer Automobile Receivables Trust Series 2021-1 Class A3, 0.35% 10/16/25	396,000	393,484
Mercedes-Benz Auto Lease Trust Series 2021-A Class A3, 0.25% 1/16/24	400,000	398,759
TOTAL ASSET-BACKED SECURITIES (Cost \$2,147,704)		<u>2,132,826</u>

Commercial Mortgage Securities – 1.6%

BANK sequential payer:		
Series 2017-BNK4 Class ASB, 3.419% 5/15/50	200,000	209,682
Series 2020-BN25 Class A5, 2.649% 1/15/63	220,000	228,296
Series 2020-BN28 Class A4, 1.844% 3/15/63	360,000	351,252
Benchmark Mortgage Trust:		
sequential payer:		
Series 2020-B19 Class A5, 1.85% 9/15/53	410,000	399,207
Series 2021-B24 Class A5, 2.5843% 3/15/54	500,000	514,971
Series 2019-B12 Class A5, 3.1156% 8/15/52	95,000	101,196
Series 2019-B9 Class A5, 4.0156% 3/15/52	130,000	145,976
Citigroup Commercial Mortgage Trust sequential payer:		
Series 2015-GC29 Class A4, 3.192% 4/10/48	80,000	83,573
Series 2016-C1 Class A4, 3.209% 5/10/49	90,000	94,826
Series 2018-B2 Class A4, 4.009% 3/10/51	1,000,000	1,108,896
COMM Mortgage Trust sequential payer Series 2013-CR13 Class A3, 3.928% 11/10/46	44,440	45,881
CSAII Commercial Mortgage Trust sequential payer Series 2019-C17:		
Class A4, 2.7628% 9/15/52	200,000	207,776
Class A5, 3.0161% 9/15/52	200,000	211,141
Freddie Mac:		
sequential payer:		
Series 2020-K104 Class A2, 2.253% 1/25/30	680,000	705,709
Series 2020-K116 Class A2, 1.378% 7/25/30	770,000	747,201
Series 2020-K117 Class A2, 1.406% 8/25/30	590,000	573,534
Series 2020-K118 Class A2, 1.493% 9/25/30	590,000	576,910
Series 2020-K121 Class A2, 1.547% 10/25/30	890,000	873,492
Series 2021-K125 Class A2, 1.846% 1/25/31	100,000	100,515
Series 2021-K126 Class A2, 2.074% 1/25/31	200,000	204,627
Series 2021-K128 Class A2, 2.02% 3/25/31	200,000	203,729
Series K057 Class A2, 2.57% 7/25/26	159,400	166,847
Series K080 Class A2, 3.926% 7/25/28	80,000	91,034
Series 2021-K123 Class A2, 1.621% 12/25/30	700,000	690,970
Series K-1510 Class A2, 3.718% 1/25/31	124,000	142,548
Series K068 Class A2, 3.244% 8/25/27	130,000	141,493
Series K079 Class A2, 3.926% 6/25/28	20,000	22,768
Series K094 Class A2, 2.903% 6/25/29	300,000	324,431

See accompanying notes which are an integral part of the financial statements.

Schedule of Investments – continued

Commercial Mortgage Securities – continued

	Principal Amount	Value
GS Mortgage Securities Trust sequential payer:		
Series 2014-GC26 Class A4, 3.364% 11/10/47	\$ 91,428	\$ 94,889
Series 2020-GC45 Class A5, 2.9106% 2/13/53	260,000	273,606
JPMBB Commercial Mortgage Securities Trust sequential payer:		
Series 2014-C21 Class A5, 3.7748% 8/15/47	150,000	157,938
Series 2014-C24 Class A5, 3.6385% 11/15/47	150,000	157,964
JPMDB Commercial Mortgage Securities Trust sequential payer Series 2020-COR7 Class A5, 2.1798% 5/13/53	500,000	499,514
Morgan Stanley Capital I Trust sequential payer Series 2020-L4 Class A3, 2.698% 2/15/53	100,000	103,765
UBS Commercial Mortgage Trust sequential payer Series 2019-C16 Class A4, 3.6048% 4/15/52	350,000	381,559
Wells Fargo Commercial Mortgage Trust: sequential payer:		
Series 2019-C52 Class A5, 2.892% 8/15/52	200,000	210,024
Series 2019-C54 Class A4, 3.146% 12/15/52	538,000	575,712
Series 2020-C55 Class A5, 2.725% 2/15/53	90,000	93,562
Series 2018-C48 Class A5, 4.302% 1/15/52	123,000	139,600

TOTAL COMMERCIAL MORTGAGE SECURITIES

(Cost \$12,057,761)

11,956,614

Municipal Securities – 0.6%

American Muni. Pwr., Inc. Rev. (Combined Hydroelectric Proj.) Series 2010 B, 7.834% 2/15/41	55,000	90,938
Bay Area Toll Auth. San Francisco Bay Toll Bridge Rev.:		
Series 2009 F2, 6.263% 4/1/49	75,000	119,862
Series 2010 S1, 7.043% 4/1/50	75,000	131,190
California Gen. Oblig.:		
Series 2009, 7.55% 4/1/39	145,000	241,984
Series 2010, 7.6% 11/1/40	350,000	603,334
California State Univ. Rev. Series 2021 B, 2.719% 11/1/52	195,000	196,690
Chicago O'Hare Int'l. Arpt. Rev. Series 2010 B, 6.395% 1/1/40	250,000	376,372
Dallas Area Rapid Transit Sales Tax Rev. Series 2021 A, 2.613% 12/1/48	200,000	196,102
Dallas Fort Worth Int'l. Arpt. Rev.:		
Series 2019 A, 3.144% 11/1/45	20,000	21,166
Series 2021 C, 2.843% 11/1/46	150,000	150,793
Golden State Tobacco Securitization Corp. Tobacco Settlement Rev. Series 2021 B:		
2.746% 6/1/34	80,000	80,476
3.293% 6/1/42	40,000	40,694
Idaho Energy Resources Auth. Series 2021, 2.861% 9/1/46	45,000	45,613
Illinois Gen. Oblig. Series 2003, 5.1% 6/1/33	500,000	577,942
Massachusetts School Bldg. Auth. Dedicated Sales Tax Rev. Series 2019 B, 3.395% 10/15/40	100,000	104,651
Massachusetts Wtr. Resources Auth. Wtr. & Swr. Rev. Series 2021 C, 2.823% 8/1/41	100,000	101,070
Michigan Strategic Fund Ltd. Oblig. Rev. Series 2021 A, 3.225% 9/1/47	100,000	100,669
New Jersey Trans. Trust Fund Auth. Series B:		
4.081% 6/15/39	80,000	88,694
4.131% 6/15/42	80,000	89,582
New York Metropolitan Trans. Auth. Rev. Series 2010 A, 6.668% 11/15/39	60,000	85,222
New York State Dorm. Auth. Series 2021 C, 2.202% 3/15/34	200,000	197,282
Port Auth. of New York & New Jersey Series 225, 3.175% 7/15/60	400,000	396,750

Univ. of California Regents Med. Ctr. Pool Rev. Series N:		
3.006% 5/15/50	\$175,000	\$ 180,056
3.256% 5/15/60	150,000	161,405
Univ. of Virginia Gen. Rev. Series 2021 B, 2.584% 11/1/51	140,000	141,481

TOTAL MUNICIPAL SECURITIES

(Cost \$4,452,809)

4,520,018

Foreign Government and Government Agency Obligations – 2.1%

Alberta Province:		
2.95% 1/23/24	110,000	114,550
3.3% 3/15/28	75,000	82,187
Chilean Republic:		
3.24% 2/6/28	200,000	210,288
3.86% 6/21/47	325,000	359,694
Export Development Canada:		
2.625% 2/21/24	120,000	124,481
2.75% 3/15/23	145,000	148,763
Hungarian Republic:		
5.375% 3/25/24	964,000	1,045,900
5.75% 11/22/23	50,000	54,188
Indonesian Republic:		
2.85% 2/14/30	200,000	208,163
3.5% 2/14/50	200,000	206,413
3.85% 10/15/30	348,000	390,369
Israeli State 3.375% 1/15/50	225,000	243,013
Italian Republic:		
2.375% 10/17/24	200,000	204,881
4% 10/17/49	497,000	545,158
Manitoba Province 2.6% 4/16/24	410,000	424,932
Ontario Province:		
1.05% 5/21/27	1,413,000	1,374,877
1.125% 10/7/30	175,000	165,431
2.3% 6/15/26	50,000	51,954
2.5% 4/27/26	115,000	120,402
3.05% 1/29/24	90,000	93,947
Panamanian Republic:		
3.16% 1/23/30	800,000	828,900
4.5% 4/16/50	200,000	220,163
6.7% 1/26/36	100,000	133,956
Peruvian Republic:		
1.862% 12/1/32	340,000	310,314
2.78% 12/1/60	100,000	87,831
2.844% 6/20/30	190,000	192,886
3.55% 3/10/51	170,000	176,832
4.125% 8/25/27	50,000	54,822
Philippine Republic:		
2.65% 12/10/45	500,000	472,594
3% 2/1/28	200,000	214,306
Polish Government 3.25% 4/6/26	73,000	78,047
Quebec Province:		
1.5% 2/11/25	2,149,000	2,173,628
2.375% 1/31/22	25,000	25,041

See accompanying notes which are an integral part of the financial statements.

Foreign Government and Government Agency Obligations – continued

	Principal Amount	Value
Quebec Province: — continued		
2.5% 4/9/24	\$ 140,000	\$ 145,047
2.75% 4/12/27	95,000	100,969
United Mexican States:		
3.25% 4/16/30	1,971,000	2,024,340
3.75% 1/11/28	200,000	215,100
4% 10/2/23	30,000	31,637
4.5% 4/22/29	360,000	401,693
4.75% 4/27/32	387,000	437,383
6.05% 1/11/40	170,000	211,204
Uruguay Republic 7.625% 3/21/36	678,000	1,022,424

TOTAL FOREIGN GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS

(Cost \$15,995,175)

15,728,708

Supranational Obligations – 1.5%

African Development Bank 0.875% 7/22/26	160,000	157,018
Asian Development Bank:		
0.375% 9/3/25	450,000	436,869
0.75% 10/8/30	100,000	93,460
1.5% 10/18/24	200,000	202,746
1.875% 1/24/30	610,000	625,100
2.625% 1/30/24	80,000	83,036
2.75% 3/17/23	700,000	718,342
5.82% 6/16/28	110,000	139,854
European Investment Bank:		
0.75% 9/23/30	250,000	233,674
0.875% 5/17/30	18,000	17,079
1.375% 5/15/23	350,000	353,604
2% 12/15/22	510,000	517,229
2.25% 6/24/24	1,678,000	1,734,749
2.875% 8/15/23	260,000	269,099
Inter-American Development Bank:		
0.625% 7/15/25	390,000	382,624
1.75% 3/14/25	194,000	197,922
2.25% 6/18/29	1,029,000	1,081,266
4.375% 1/24/44	39,000	53,875
International Bank for Reconstruction & Development:		
0.375% 7/28/25	270,000	262,506
0.5% 10/28/25	218,000	212,350
0.75% 8/26/30	160,000	149,442
0.875% 5/14/30	176,000	166,682
1.25% 2/10/31	110,000	106,893
1.5% 8/28/24	1,012,000	1,026,528
1.625% 1/15/25	155,000	157,644
1.75% 4/19/23	55,000	55,821
1.875% 6/19/23	20,000	20,361
2.5% 3/19/24	130,000	134,711
2.5% 11/22/27	92,000	97,179
3% 9/27/23	100,000	103,917
International Finance Corp.:		
0.75% 8/27/30	60,000	56,184

See accompanying notes which are an integral part of the financial statements.

	Principal Amount	Value
1.375% 10/16/24	\$1,051,000	\$ 1,061,433
2.875% 7/31/23	112,000	115,804

TOTAL SUPRANATIONAL OBLIGATIONS

(Cost \$11,158,890)

11,025,001

Bank Notes – 0.1%

Discover Bank 2.7% 2/6/30		
(Cost \$506,300)	500,000	506,326

Money Market Funds – 0.2%

	Shares	
Fidelity Cash Central Fund 0.08% (e)		
(Cost \$1,970,432)	1,970,038	1,970,432

TOTAL INVESTMENT IN SECURITIES – 100.9%

(Cost \$750,136,967)

750,048,775

NET OTHER ASSETS (LIABILITIES) – (0.9)%

(6,605,628)

NET ASSETS – 100%

\$743,443,147

Legend

- Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities amounted to \$1,921,109 or 0.3% of net assets.
- Coupon rates for floating and adjustable rate securities reflect the rates in effect at period end.
- Coupon is indexed to a floating interest rate which may be multiplied by a specified factor and/or subject to caps or floors.
- Security or a portion of the security purchased on a delayed delivery or when-issued basis.
- Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

Schedule of Investments – continued

Affiliated Central Funds

Fiscal year to date information regarding the Fund's investments in Fidelity Central Funds, including the ownership percentage, is presented below.

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	\$21,189,409	\$320,283,317	\$339,502,195	\$11,190	\$ (92)	\$ (7)	\$1,970,432	0.0%
Total	<u>\$21,189,409</u>	<u>\$320,283,317</u>	<u>\$339,502,195</u>	<u>\$11,190</u>	<u>\$ (92)</u>	<u>\$ (7)</u>	<u>\$1,970,432</u>	

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

Valuation Inputs at Reporting Date:

Description	Total	Level 1	Level 2	Level 3
Investments in Securities:				
Corporate Bonds	\$184,971,362	\$ —	\$184,971,362	\$ —
U.S. Government and Government Agency Obligations	310,750,512	—	310,750,512	—
U.S. Government Agency — Mortgage Securities	206,486,976	—	206,486,976	—
Asset-Backed Securities	2,132,826	—	2,132,826	—
Commercial Mortgage Securities	11,956,614	—	11,956,614	—
Municipal Securities	4,520,018	—	4,520,018	—
Foreign Government and Government Agency Obligations	15,728,708	—	15,728,708	—
Supranational Obligations	11,025,001	—	11,025,001	—
Bank Notes	506,326	—	506,326	—
Money Market Funds	1,970,432	1,970,432	—	—
Total Investments in Securities:	<u>\$750,048,775</u>	<u>\$1,970,432</u>	<u>\$748,078,343</u>	<u>\$ —</u>

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

December 31, 2021

Assets

Investment in securities, at value — See accompanying schedule:

Unaffiliated issuers (cost \$748,166,535)	\$ 748,078,343	
Fidelity Central Funds (cost \$1,970,432)	<u>1,970,432</u>	
Total Investment in Securities (cost \$750,136,967)		\$ 750,048,775
Receivable for fund shares sold		267,053
Interest receivable		2,961,690
Distributions receivable from Fidelity Central Funds		<u>158</u>
Total assets		753,277,676

Liabilities

Payable to custodian bank	\$ 5,770	
Payable for investments purchased		
Regular delivery	815,557	
Delayed delivery	8,676,773	
Payable for fund shares redeemed	202,750	
Accrued management fee	55,550	
Distribution and service plan fees payable	47,269	
Other affiliated payables	<u>30,860</u>	
Total liabilities		9,834,529

Net Assets

\$ 743,443,147

Net Assets consist of:

Paid in capital	\$ 745,111,988
Total accumulated earnings (loss)	<u>(1,668,841)</u>

Net Assets

\$ 743,443,147

Net Asset Value and Maximum Offering Price

Initial Class:

Net Asset Value, offering price and redemption price per share ($\$513,626,488 \div 46,607,635$ shares) \$ 11.02

Service Class:

Net Asset Value, offering price and redemption price per share ($\$2,759,155 \div 250,213$ shares) \$ 11.03

Service Class 2:

Net Asset Value, offering price and redemption price per share ($\$227,057,504 \div 20,672,377$ shares) \$ 10.98

See accompanying notes which are an integral part of the financial statements.

Financial Statements – continued

Statement of Operations

		Year ended December 31, 2021
Investment Income		
Interest		\$ 10,148,822
Income from Fidelity Central Funds		11,190
Total income		<u>10,160,012</u>
Expenses		
Management fee	\$ 689,601	
Transfer agent fees	383,111	
Distribution and service plan fees	554,969	
Independent trustees' fees and expenses	<u>2,296</u>	
Total expenses before reductions	1,629,977	
Expense reductions	<u>(410)</u>	
Total expenses after reductions		<u>1,629,567</u>
Net investment income (loss)		<u>8,530,445</u>
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	(3,502,643)	
Fidelity Central Funds	<u>(92)</u>	
Total net realized gain (loss)		<u>(3,502,735)</u>
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	(22,033,458)	
Fidelity Central Funds	<u>(7)</u>	
Delayed delivery commitments	<u>105,576</u>	
Total change in net unrealized appreciation (depreciation)		<u>(21,927,889)</u>
Net gain (loss)		<u>(25,430,624)</u>
Net increase (decrease) in net assets resulting from operations		<u>\$ (16,900,179)</u>

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	\$ 8,530,445	\$ 7,253,067
Net realized gain (loss)	(3,502,735)	1,783,021
Change in net unrealized appreciation (depreciation)	<u>(21,927,889)</u>	<u>15,646,563</u>
Net increase (decrease) in net assets resulting from operations	<u>(16,900,179)</u>	<u>24,682,651</u>
Distributions to shareholders	<u>(6,766,346)</u>	<u>(9,090,013)</u>
Share transactions – net increase (decrease)	<u>(19,010,948)</u>	<u>511,007,596</u>
Total increase (decrease) in net assets	<u>(42,677,473)</u>	<u>526,600,234</u>
Net Assets		
Beginning of period	<u>786,120,620</u>	<u>259,520,386</u>
End of period	<u>\$ 743,443,147</u>	<u>\$ 786,120,620</u>

See accompanying notes which are an integral part of the financial statements.

Financial Highlights

VIP Bond Index Portfolio Initial Class

Years ended December 31, Selected Per-Share Data	2021	2020	2019	2018 ^A
Net asset value, beginning of period	\$ 11.35	\$ 10.68	\$ 10.06	\$ 10.00
Income from Investment Operations				
Net investment income (loss) ^B	.132	.183	.283	.212
Net realized and unrealized gain (loss)	(.353)	.621	.560	(.022)
Total from investment operations	(.221)	.804	.843	.190
Distributions from net investment income	(.109)	(.104)	(.191)	(.130)
Distributions from net realized gain	—	(.030)	(.032)	—
Total distributions	(.109)	(.134)	(.223)	(.130)
Net asset value, end of period	\$ 11.02	\$ 11.35	\$ 10.68	\$ 10.06
Total Return ^{C,D,E}	(1.95)%	7.53%	8.38%	1.90%
Ratios to Average Net Assets ^{F,G}				
Expenses before reductions	.14%	.14%	.14%	.14% ^H
Expenses net of fee waivers, if any	.14%	.14%	.14%	.14% ^H
Expenses net of all reductions	.14%	.14%	.14%	.13% ^H
Net investment income (loss)	1.19%	1.63%	2.67%	3.01% ^H
Supplemental Data				
Net assets, end of period (000 omitted)	\$ 513,626	\$ 569,594	\$ 258,250	\$ 91,033
Portfolio turnover rate ^I	138%	101%	81%	168% ^H

^A For the period April 19, 2018 (commencement of operations) through December 31, 2018.

^B Calculated based on average shares outstanding during the period.

^C Total returns for periods of less than one year are not annualized.

^D Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

^E Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^F Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.

^G Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.

^H Annualized

^I Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).

See accompanying notes which are an integral part of the financial statements.

Financial Highlights – continued

VIP Bond Index Portfolio Service Class

Years ended December 31, Selected Per-Share Data	2021	2020	2019 ^A
Net asset value, beginning of period	\$ 11.37	\$ 10.67	\$ 10.33
Income from Investment Operations			
Net investment income (loss) ^B	.119	.171	.197
Net realized and unrealized gain (loss)	(.352)	.632	.359
Total from investment operations	(.233)	.803	.556
Distributions from net investment income	(.107)	(.073)	(.184)
Distributions from net realized gain	—	(.030)	(.032)
Total distributions	(.107)	(.103)	(.216)
Net asset value, end of period	\$ 11.03	\$ 11.37	\$ 10.67
Total Return ^{C,D,E}	(2.05)%	7.53%	5.38%
Ratios to Average Net Assets ^{F,G}			
Expenses before reductions	.24%	.24%	.24% ^H
Expenses net of fee waivers, if any	.24%	.24%	.24% ^H
Expenses net of all reductions	.24%	.24%	.24% ^H
Net investment income (loss)	1.09%	1.53%	2.53% ^H
Supplemental Data			
Net assets, end of period (000 omitted)	\$ 2,759	\$ 550	\$ 103
Portfolio turnover rate ^I	138%	101%	81%

^A For the period April 11, 2019 (commencement of sale of shares) through December 31, 2019.

^B Calculated based on average shares outstanding during the period.

^C Total returns for periods of less than one year are not annualized.

^D Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

^E Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^F Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.

^G Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.

^H Annualized

^I Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).

See accompanying notes which are an integral part of the financial statements.

VIP Bond Index Portfolio Service Class 2

Years ended December 31, Selected Per-Share Data	2021	2020	2019	2018 ^A
Net asset value, beginning of period	\$ 11.32	\$ 10.68	\$ 10.06	\$ 10.00
Income from Investment Operations				
Net investment income (loss) ^B	.104	.161	.262	.195
Net realized and unrealized gain (loss)	(.357)	.614	.556	(.023)
Total from investment operations	(.253)	.775	.818	.172
Distributions from net investment income	(.087)	(.105)	(.166)	(.112)
Distributions from net realized gain	—	(.030)	(.032)	—
Total distributions	(.087)	(.135)	(.198)	(.112)
Net asset value, end of period	\$ 10.98	\$ 11.32	\$ 10.68	\$ 10.06
Total Return ^{C,D,E}	(2.24)%	7.26%	8.13%	1.72%
Ratios to Average Net Assets ^{F,G}				
Expenses before reductions	.39%	.37%	.39%	.39% ^H
Expenses net of fee waivers, if any	.39%	.37%	.39%	.39% ^H
Expenses net of all reductions	.39%	.37%	.39%	.38% ^H
Net investment income (loss)	.94%	1.40%	2.48%	2.76% ^H
Supplemental Data				
Net assets, end of period (000 omitted)	\$ 227,058	\$ 215,977	\$ 1,167	\$ 1,006
Portfolio turnover rate ^I	138%	101%	81%	168% ^H

^A For the period April 19, 2018 (commencement of operations) through December 31, 2018.

^B Calculated based on average shares outstanding during the period.

^C Total returns for periods of less than one year are not annualized.

^D Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

^E Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^F Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.

^G Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.

^H Annualized

^I Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).

See accompanying notes which are an integral part of the financial statements.

Notes to Financial Statements

For the period ended December 31, 2021

1. Organization.

VIP Bond Index Portfolio (the Fund) is a fund of Variable Insurance Products Fund V (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares and Service Class 2 shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Investments in Fidelity Central Funds.

Funds may invest in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Schedule of Investments lists any Fidelity Central Funds held as an investment as of period end, but does not include the underlying holdings of each Fidelity Central Fund. An investing fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

Based on its investment objective, each Fidelity Central Fund may invest or participate in various investment vehicles or strategies that are similar to those of the investing fund. These strategies are consistent with the investment objectives of the investing fund and may involve certain economic risks which may cause a decline in value of each of the Fidelity Central Funds and thus a decline in the value of the investing fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices	Expense Ratio ^(a)
Fidelity Money Market Central Funds	Fidelity Management & Research Company LLC (FMR)	Each fund seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term Investments	Less than .005%

(a) Expenses expressed as a percentage of average net assets and are as of each underlying Central Fund's most recent annual or semi-annual shareholder report.

A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission website at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds which contain the significant accounting policies (including investment valuation policies) of those funds, and are not covered by the Report of Independent Registered Public Accounting Firm, are available on the Securities and Exchange Commission website or upon request.

3. Significant Accounting Policies.

The Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 *Financial Services — Investment Companies*. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The Fund's Schedule of Investments lists any underlying mutual funds or exchange-traded funds (ETFs) but does not include the underlying holdings of these funds. The following summarizes the significant accounting policies of the Fund:

Investment Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Board of Trustees (the Board) has delegated the day to day responsibility for the valuation of the Fund's investments to the Fair Value Committee (the Committee) established by the Fund's investment adviser. In accordance with valuation policies and procedures approved by the Board, the Fund attempts to obtain prices from one or more third party pricing vendors or brokers to value its investments. When current market prices, quotations or currency exchange rates are not readily available or reliable, investments will be fair valued in good faith by the Committee, in accordance with procedures adopted by the Board. Factors used in determining fair value vary by investment type and may include market or investment specific events, changes in interest rates and credit quality. The frequency with which these procedures are used cannot be predicted and they may be utilized to a significant extent. The Committee oversees the Fund's valuation policies and procedures and reports to the Board on the Committee's activities and fair value determinations. The Board monitors the appropriateness of the procedures used in valuing the Fund's investments and ratifies the fair value determinations of the Committee.

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 — quoted prices in active markets for identical investments

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

Level 3 — unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value the Fund's investments by major category are as follows:

Debt securities, including restricted securities, are valued based on evaluated prices received from third party pricing vendors or from brokers who make markets in such securities. Corporate bonds, bank notes, foreign government and government agency obligations, municipal securities, supranational obligations and U.S. government and government agency obligations are valued by pricing vendors who utilize matrix pricing which considers yield or price of bonds of comparable quality, coupon, maturity and type or by broker-supplied prices. Asset backed securities, commercial mortgage securities and U.S. government agency mortgage securities are valued by pricing vendors who utilize matrix pricing which considers prepayment speed assumptions, attributes of the collateral, yield or price of bonds of comparable quality, coupon, maturity and type or by broker-supplied prices. When independent prices are unavailable or unreliable, debt securities may be valued utilizing pricing methodologies which consider similar factors that would be used by third party pricing vendors. Debt securities are generally categorized as Level 2 in the hierarchy but may be Level 3 depending on the circumstances.

Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The aggregate value of investments by input level as of December 31, 2021 is included at the end of the Fund's Schedule of Investments.

Investment Transactions and Income. For financial reporting purposes, the Fund's investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost. Income and capital gain distributions from Fidelity Central Funds, if any, are recorded on the ex-dividend date. Interest income is accrued as earned and includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable. Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivables when the collection of all or a portion of interest has become doubtful based on consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is reasonably assured.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of a fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of a fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred, as applicable. Certain expense reductions may also differ by class, if applicable. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expenses included in the accompanying financial statements reflect the expenses of that fund and do not include any expenses associated with any underlying mutual funds or exchange-traded funds. Although not included in a fund's expenses, a fund indirectly bears its proportionate share of these expenses through the net asset value of each underlying mutual fund or exchange-traded fund. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2021, the Fund did not have any unrecognized tax benefits in the financial statements; nor is the Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to market discount, capital loss carryforwards and losses deferred due to wash sales.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows:

Gross unrealized appreciation	\$ 11,408,266
Gross unrealized depreciation	<u>(11,339,049)</u>
Net unrealized appreciation (depreciation)	<u>\$ 69,217</u>
Tax Cost	<u>\$ 749,979,558</u>

The tax-based components of distributable earnings as of period end were as follows:

Undistributed ordinary income	<u>\$ 1,488,234</u>
Capital loss carryforward	<u>\$ (3,226,294)</u>
Net unrealized appreciation (depreciation) on securities and other investments	<u>\$ 69,217</u>

Capital loss carryforwards are only available to offset future capital gains of the Fund to the extent provided by regulations and may be limited. The capital loss carryforward information presented below, including any applicable limitation, is estimated as of fiscal period end and is subject to adjustment.

No expiration	
Short-term	\$ (3,226,294)

The tax character of distributions paid was as follows:

	December 31, 2021	December 31, 2020
Ordinary Income	\$6,766,346	\$8,413,022
Long-term Capital Gains	<u>—</u>	<u>676,991</u>
Total	<u>\$6,766,346</u>	<u>\$9,090,013</u>

Notes to Financial Statements – continued

Delayed Delivery Transactions and When-Issued Securities. During the period, certain Funds transacted in securities on a delayed delivery or when-issued basis. Payment and delivery may take place after the customary settlement period for that security. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. Securities purchased on a delayed delivery or when-issued basis are identified as such in the Schedule of Investments. Compensation for interest forgone in the purchase of a delayed delivery or when-issued debt security may be received. With respect to purchase commitments, each applicable Fund identifies securities as segregated in its records with a value at least equal to the amount of the commitment. Payables and receivables associated with the purchases and sales of delayed delivery securities having the same coupon, settlement date and broker are offset. Delayed delivery or when-issued securities that have been purchased from and sold to different brokers are reflected as both payables and receivables in the Statement of Assets and Liabilities under the caption “Delayed delivery”, as applicable. Losses may arise due to changes in the value of the underlying securities or if the counterparty does not perform under the contract’s terms, or if the issuer does not issue the securities due to political, economic, or other factors.

To-Be-Announced (TBA) Securities and Mortgage Dollar Rolls. TBA securities involve buying or selling mortgage-backed securities (MBS) on a forward commitment basis. A TBA transaction typically does not designate the actual security to be delivered and only includes an approximate principal amount; however delivered securities must meet specified terms defined by industry guidelines, including issuer, rate and current principal amount outstanding on underlying mortgage pools. Funds may enter into a TBA transaction with the intent to take possession of or deliver the underlying MBS, or a fund may elect to extend the settlement by entering into either a mortgage or reverse mortgage dollar roll. Mortgage dollar rolls are transactions where a fund sells TBA securities and simultaneously agrees to repurchase MBS on a later date at a lower price and with the same counterparty. Reverse mortgage dollar rolls involve the purchase and simultaneous agreement to sell TBA securities on a later date at a lower price. Transactions in mortgage dollar rolls and reverse mortgage dollar rolls are accounted for as purchases and sales and may result in an increase to a fund’s portfolio turnover rate.

Purchases and sales of TBA securities involve risks similar to those discussed above for delayed delivery and when-issued securities. Also, if the counterparty in a mortgage dollar roll or a reverse mortgage dollar roll transaction files for bankruptcy or becomes insolvent, a fund’s right to repurchase or sell securities may be limited. Additionally, when a fund sells TBA securities without already owning or having the right to obtain the deliverable securities (an uncovered forward commitment to sell), it incurs a risk of loss because it could have to purchase the securities at a price that is higher than the price at which it sold them. A fund may be unable to purchase the deliverable securities if the corresponding market is illiquid.

Restricted Securities (including Private Placements). Funds may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted securities held at period end is included at the end of the Schedule of Investments, if applicable.

4. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities, U.S. government securities and in-kind transactions, as applicable, are noted in the table below.

	Purchases (\$)	Sales (\$)
VIP Bond Index Portfolio	605,635,253	620,883,791

5. Fees and Other Transactions with Affiliates.

Management Fee and Expense Contract. Fidelity Management & Research Company LLC (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee. The management fee is based on an annual rate of .09% of the Fund’s average net assets. Under the management contract, the investment adviser pays all other fund-level expenses, except the compensation of the independent Trustees and certain miscellaneous expenses such as proxy and shareholder meeting expenses.

In addition, under the expense contract, the investment adviser pays class-level expenses as necessary so that the total expenses do not exceed certain amounts of each class’ average net assets on an annual basis with certain exceptions, as noted in the following table:

Initial Class	.14%
Service Class	.24%
Service Class 2	.39%

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Company LLC (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class’ average net assets and .25% of Service Class 2’s average net assets.

For the period, total fees, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services, were as follows:

Service Class	\$ 1,305
Service Class 2	553,664
	<u>\$554,969</u>

Transfer Agent Fees. Fidelity Investments Institutional Operations Company LLC (FIIOC), an affiliate of the investment adviser, is the transfer, dividend disbursing, and shareholder servicing agent for each class. FIIOC receives asset-based fees based on each class’s average net assets for transfer agent services, typesetting, and printing and mailing of shareholder reports, excluding mailing of proxy statements, equal to an annual rate of .06% of average net assets. Under the expense contract, each class pays a portion of the transfer agent fees equal to an annual rate of .05% of class-level average net assets. For the period, transfer agent fees for each class were as follows:

Initial Class	\$271,726
Service Class	652
Service Class 2	<u>110,733</u>
	<u>\$383,111</u>

Interfund Trades. Funds may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Any interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note. During the period there were no interfund trades.

6. Committed Line of Credit.

Certain Funds participate with other funds managed by the investment adviser or an affiliate in a \$4.25 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The commitment fees on the pro-rata portion of the line of credit are borne by the investment adviser. During the period, there were no borrowings on this line of credit.

7. Expense Reductions.

Through arrangements with the Fund's custodian, credits realized as a result of certain uninvested cash balances were used to reduce the Fund's expenses. During the period, custodian credits reduced the Fund's expenses by \$410.

8. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
VIP Bond Index Portfolio		
Distributions to shareholders		
Initial Class	\$4,980,718	\$6,573,144
Service Class	21,882	1,005
Service Class 2	<u>1,763,746</u>	<u>2,515,864</u>
Total	<u>\$6,766,346</u>	<u>\$9,090,013</u>

9. Share Transactions.

Transactions for each class of shares were as follows and may contain in-kind transactions:

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
VIP Bond Index Portfolio				
Initial Class				
Shares sold	18,226,484	34,881,109	\$ 202,928,648	\$ 393,788,272
Reinvestment of distributions	449,929	581,180	4,980,718	6,573,144
Shares redeemed	<u>(22,251,821)</u>	<u>(9,465,623)</u>	<u>(246,900,783)</u>	<u>(106,870,020)</u>
Net increase (decrease)	<u>(3,575,408)</u>	<u>25,996,666</u>	<u>\$ (38,991,417)</u>	<u>\$ 293,491,396</u>
Service Class				
Shares sold	256,218	92,115	\$ 2,857,806	\$ 1,044,604
Reinvestment of distributions	1,881	1	20,847	7
Shares redeemed	<u>(56,248)</u>	<u>(53,435)</u>	<u>(627,376)</u>	<u>(609,812)</u>
Net increase (decrease)	<u>201,851</u>	<u>38,681</u>	<u>\$ 2,251,277</u>	<u>\$ 434,799</u>
Service Class 2				
Shares sold	4,874,226	19,105,085	\$ 54,057,998	\$ 218,681,407
Reinvestment of distributions	159,688	222,929	1,762,956	2,514,638
Shares redeemed	<u>(3,438,112)</u>	<u>(360,779)</u>	<u>(38,091,762)</u>	<u>(4,114,644)</u>
Net increase (decrease)	<u>1,595,802</u>	<u>18,967,235</u>	<u>\$ 17,729,192</u>	<u>\$ 217,081,401</u>

Notes to Financial Statements – continued

10. Other.

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

At the end of the period, the investment adviser or its affiliates were owners of record of more than 10% and certain otherwise unaffiliated shareholders were owners of record of more than 10% of the outstanding shares as follows:

Fund	Affiliated %	Number of Unaffiliated Shareholders	Unaffiliated Shareholders %
VIP Bond Index Portfolio	60%	1	38%

11. Coronavirus (COVID-19) Pandemic.

An outbreak of COVID-19 first detected in China during December 2019 has since spread globally and was declared a pandemic by the World Health Organization during March 2020. Developments that disrupt global economies and financial markets, such as the COVID-19 pandemic, may magnify factors that affect the Fund's performance.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Variable Insurance Products Fund V and Shareholders of VIP Bond Index Portfolio

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of VIP Bond Index Portfolio (the "Fund"), a fund of Variable Insurance Products Fund V, including the schedule of investments, as of December 31, 2021, the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the three years in the period then ended and for the period from April 19, 2018 (commencement of operations) through December 31, 2018, and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of December 31, 2021, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the three years in the period then ended and for the period from April 19, 2018 (commencement of operations) through December 31, 2018 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

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

/s/ Deloitte & Touche LLP
Boston, Massachusetts
February 11, 2022

We have served as the auditor of one or more of the Fidelity investment companies since 1999.

Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and fund, as applicable, are listed below. The Board of Trustees governs the fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, oversee management of the risks associated with such activities and contractual arrangements, and review the fund's performance. Each of the Trustees oversees 286 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the 1940 Act) of the trust and the fund is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

The fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

Experience, Skills, Attributes, and Qualifications of the Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the fund, is provided below.

Board Structure and Oversight Function. Abigail P. Johnson is an interested person and currently serves as Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the fund. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. Arthur E. Johnson serves as Chairman of the Independent Trustees and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The fund's Board oversees Fidelity's investment-grade bond, money market, asset allocation and certain equity funds, and other Boards oversee Fidelity's high income and other equity funds. The asset allocation funds may invest in Fidelity® funds that are overseen by such other Boards. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, the fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the fund's activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the fund's business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the fund are carried out by or through FMR, its affiliates, and other service providers, the fund's exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the fund's activities, oversight is exercised primarily through the Operations and Audit Committees. In addition, an ad hoc Board committee of Independent Trustees has worked with FMR to enhance the Board's oversight of investment and financial risks, legal and regulatory risks, technology risks, and operational risks, including the development of additional risk reporting to the Board. Appropriate personnel, including but not limited to the fund's Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the fund's Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

Interested Trustees*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Abigail P. Johnson (1961)

Year of Election or Appointment: 2009

Trustee

Chairman of the Board of Trustees

Ms. Johnson also serves as Trustee of other Fidelity® funds. Ms. Johnson serves as Chairman (2016-present), Chief Executive Officer (2014-present), and Director (2007-present) of FMR LLC (diversified financial services company), President of Fidelity Financial Services (2012-present) and President of Personal, Workplace and Institutional Services (2005-present). Ms. Johnson is Chairman and Director of Fidelity Management & Research Company LLC (investment adviser firm, 2011-present). Previously, Ms. Johnson served as Chairman and Director of FMR Co., Inc. (investment adviser firm, 2011-2019), Vice Chairman (2007-2016) and President (2013-2016) of FMR LLC, President and a Director of Fidelity Management & Research Company (2001-2005), a Trustee of other investment companies advised by Fidelity Management & Research Company, Fidelity Investments Money Management, Inc. (investment adviser firm), and FMR Co., Inc. (2001-2005), Senior Vice President of the Fidelity® funds (2001-2005), and managed a number of Fidelity® funds. Ms. Abigail P. Johnson and Mr. Arthur E. Johnson are not related.

Jennifer Toolin McAuliffe (1959)

Year of Election or Appointment: 2016

Trustee

Ms. McAuliffe also serves as Trustee of other Fidelity® funds and as Trustee of Fidelity Charitable (2020-present). Previously, Ms. McAuliffe served as Co-Head of Fixed Income of Fidelity Investments Limited (now known as FIL Limited (FIL)) (diversified financial services company), Director of Research for FIL's credit and quantitative teams in London, Hong Kong and Tokyo and Director of Research for taxable and municipal bonds at Fidelity Investments Money Management, Inc. Ms. McAuliffe previously served as a member of the Advisory Board of certain Fidelity® funds (2016). Ms. McAuliffe was previously a lawyer at Ropes & Gray LLP and currently serves as director or trustee of several not-for-profit entities.

* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Elizabeth S. Acton (1951)

Year of Election or Appointment: 2013

Trustee

Ms. Acton also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Acton served as Executive Vice President, Finance (2011-2012), Executive Vice President, Chief Financial Officer (2002-2011) and Treasurer (2004-2005) of Comerica Incorporated (financial services). Prior to joining Comerica, Ms. Acton held a variety of positions at Ford Motor Company (1983-2002), including Vice President and Treasurer (2000-2002) and Executive Vice President and Chief Financial Officer of Ford Motor Credit Company (1998-2000). Ms. Acton currently serves as a member of the Board and Audit and Finance Committees of Beazer Homes USA, Inc. (homebuilding, 2012-present). Ms. Acton previously served as a member of the Advisory Board of certain Fidelity® funds (2013-2016).

Ann E. Dunwoody (1953)

Year of Election or Appointment: 2018

Trustee

General Dunwoody also serves as Trustee of other Fidelity® funds. General Dunwoody (United States Army, Retired) was the first woman in U.S. military history to achieve the rank of four-star general and prior to her retirement in 2012 held a variety of positions within the U.S. Army, including Commanding General, U.S. Army Material Command (2008-2012). General Dunwoody currently serves as President of First to Four LLC (leadership and mentoring services, 2012-present), a member of the Board and Nomination and Corporate Governance Committees of Kforce Inc. (professional staffing services, 2016-present) and a member of the Board of Automatic Inc. (software engineering, 2018-present). Previously, General Dunwoody served as a member of the Advisory Board and Nominating and Corporate Governance Committee of L3 Technologies, Inc. (communication, electronic, sensor and aerospace systems, 2013-2019) and a member of the Board and Audit and Sustainability and Corporate Responsibility Committees of Republic Services, Inc. (waste collection, disposal and recycling, 2013-2016). Ms. Dunwoody also serves on several boards for non-profit organizations, including as a member of the Board, Chair of the Nomination and Governance Committee and a member of the Audit Committee of Logistics Management Institute (consulting non-profit, 2012-present), a member of the Council of Trustees for the Association of the United States Army (advocacy non-profit, 2013-present), a member of the Board of Florida Institute of Technology (2015-present) and a member of the Board of ThanksUSA (military family education non-profit, 2014-present). General Dunwoody previously served as a member of the Advisory Board of certain Fidelity® funds (2018).

Trustees and Officers – continued

John Engler (1948)

Year of Election or Appointment: 2014

Trustee

Mr. Engler also serves as Trustee of other Fidelity® funds. Previously, Mr. Engler served as Governor of Michigan (1991-2003), President of the Business Roundtable (2011-2017) and interim President of Michigan State University (2018-2019). Mr. Engler currently serves as a member of the Board of Stride, Inc. (formerly K12 Inc.) (technology-based education company, 2012-present). Previously, Mr. Engler served as a member of the Board of Universal Forest Products (manufacturer and distributor of wood and wood-alternative products, 2003-2019) and Trustee of The Munder Funds (2003-2014). Mr. Engler previously served as a member of the Advisory Board of certain Fidelity® funds (2014-2016).

Robert F. Gartland (1951)

Year of Election or Appointment: 2010

Trustee

Mr. Gartland also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Gartland held a variety of positions at Morgan Stanley (financial services, 1979-2007), including Managing Director (1987-2007) and Chase Manhattan Bank (1975-1978). Mr. Gartland previously served as Chairman and an investor in Gartland & Mellina Group Corp. (consulting, 2009-2019), as a member of the Board of National Securities Clearing Corporation (1993-1996) and as Chairman of TradeWeb (2003-2004).

Arthur E. Johnson (1947)

Year of Election or Appointment: 2008

Trustee

Chairman of the Independent Trustees

Mr. Johnson also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Johnson served as Senior Vice President of Corporate Strategic Development of Lockheed Martin Corporation (defense contractor, 1999-2009). Mr. Johnson currently serves as a member of the Board of Booz Allen Hamilton (management consulting, 2011-present). Mr. Johnson previously served as a member of the Board of Eaton Corporation plc (diversified power management, 2009-2019) and a member of the Board of AGL Resources, Inc. (holding company, 2002-2016). Mr. Johnson previously served as Vice Chairman (2015-2018) of the Independent Trustees of certain Fidelity® funds. Mr. Arthur E. Johnson is not related to Ms. Abigail P. Johnson.

Michael E. Kennelly (1954)

Year of Election or Appointment: 2009

Trustee

Vice Chairman of the Independent Trustees

Mr. Kennelly also serves as Trustee of other Fidelity® funds. Prior to retirement, he was Chairman and Global Chief Executive Officer of Credit Suisse Asset Management. Previously, Mr. Kennelly was an Executive Vice President and the Chief Investment Officer for Bank of America. In this role, he was responsible for the investment management, strategy and products delivered to the bank's institutional, high-net-worth and retail clients. Earlier, Mr. Kennelly directed the organization's equity and quantitative research groups. He began his career in 1983 as a research analyst and then spent more than a dozen years as a portfolio manager for endowments, pension plans and mutual funds. He earned the Chartered Financial Analyst (CFA) designation in 1991.

Marie L. Knowles (1946)

Year of Election or Appointment: 2001

Trustee

Ms. Knowles also serves as Trustee of other Fidelity® funds. Prior to her retirement, Ms. Knowles held several positions at Atlantic Richfield Company (diversified energy), including Executive Vice President and Chief Financial Officer (1996-2000), Senior Vice President (1993-1996) and President of ARCO Transportation Company (pipeline and tanker operations, 1993-1996). Ms. Knowles currently serves as a member of the Board of McKesson Corporation (healthcare service, since 2002), a member of the Board of the Santa Catalina Island Company (real estate, 2009-present), a member of the Investment Company Institute Board of Governors and a member of the Governing Council of the Independent Directors Council (2014-present). Ms. Knowles also serves as a member of the Advisory Board for the School of Engineering of the University of Southern California. Ms. Knowles previously served as Chairman (2015-2018) and Vice Chairman (2012-2015) of the Independent Trustees of certain Fidelity® funds.

Mark A. Murray (1954)

Year of Election or Appointment: 2016

Trustee

Mr. Murray also serves as Trustee of other Fidelity® funds. Previously, Mr. Murray served as Co-Chief Executive Officer (2013-2016), President (2006-2013) and Vice Chairman (2013-2020) of Meijer, Inc. Mr. Murray serves as a member of the Board (2009-present) and Public Policy and Responsibility Committee (2009-present) and Chair of the Nuclear Review Committee (2019-present) of DTE Energy Company (diversified energy company). Mr. Murray previously served as a member of the Board of Spectrum Health (not-for-profit health system, 2015-2019) and as a member of the Board and Audit Committee and Chairman of the Nominating and Corporate Governance Committee of Universal Forest Products, Inc. (manufacturer and distributor of wood and wood-alternative products, 2004-2016). Mr. Murray also serves as a member of the Board of many community and professional organizations. Mr. Murray previously served as a member of the Advisory Board of certain Fidelity® funds (2016).

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Advisory Board Members and Officers:

Correspondence intended for an officer may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Name, Year of Birth; Principal Occupation

Robert W. Helm (1957)

Year of Election or Appointment: 2021
Member of the Advisory Board

Mr. Helm also serves as a Member of the Advisory Board of other Fidelity® funds. Mr. Helm was formerly Deputy Chairman (2003-2020), partner (1991-2020) and an associate (1984-1991) of Dechert LLP (formerly Dechert Price & Rhoads). Mr. Helm currently serves on boards and committees of several not-for-profit organizations.

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as an officer of other funds. Mr. Brown serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

David J. Carter (1973)

Year of Election or Appointment: 2020
Assistant Secretary

Mr. Carter also serves as Assistant Secretary of other funds. Mr. Carter serves as Vice President, Associate General Counsel (2010-present) and is an employee of Fidelity Investments (2005-present).

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as an officer of other funds. Mr. Davis serves as Assistant Treasurer of FIMM, LLC (2021-present), FMR Capital, Inc. (2017-present), FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018
President and Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2017-present). Previously, Ms. Del Prato served as President and Treasurer of The North Carolina Capital Management Trust: Cash Portfolio and Term Portfolio (2018-2020). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2016
Assistant Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Deputy Treasurer of certain Fidelity® funds (2016-2020) and Assistant Treasurer of certain Fidelity® funds (2016-2018).

Cynthia Lo Bessette (1969)

Year of Election or Appointment: 2019
Secretary and Chief Legal Officer (CLO)

Ms. Lo Bessette also serves as an officer of other funds. Ms. Lo Bessette serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company LLC (investment adviser firm, 2019-present); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present); Secretary of FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and Assistant Secretary of FIMM, LLC (2019-present). She is a Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2019-present), and is an employee of Fidelity Investments. Previously, Ms. Lo Bessette served as CLO, Secretary, and Senior Vice President of FMR Co., Inc. (investment adviser firm, 2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2019). Prior to joining Fidelity Investments, Ms. Lo Bessette was Executive Vice President, General Counsel (2016-2019) and Senior Vice President, Deputy General Counsel (2015-2016) of OppenheimerFunds (investment management company) and Deputy Chief Legal Officer (2013-2015) of Jennison Associates LLC (investment adviser firm).

Trustees and Officers – continued

Chris Maher (1972)

Year of Election or Appointment: 2013

Assistant Treasurer

Mr. Maher also serves as an officer of other funds. Mr. Maher serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Maher served as Assistant Treasurer of certain funds (2013-2020); Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

Jamie Pagliocco (1964)

Year of Election or Appointment: 2020

Vice President

Mr. Pagliocco also serves as Vice President of other funds. Mr. Pagliocco serves as President of Fixed Income (2020-present), and is an employee of Fidelity Investments (2001-present). Previously, Mr. Pagliocco served as Co-Chief Investment Officer – Bond (2017-2020), Global Head of Bond Trading (2016-2019), and as a portfolio manager.

Kenneth B. Robins (1969)

Year of Election or Appointment: 2020

Chief Compliance Officer

Mr. Robins also serves as an officer of other funds. Mr. Robins serves as Compliance Officer of Fidelity Management & Research Company LLC (investment adviser firm, 2016-present) and is an employee of Fidelity Investments (2004-present). Previously, Mr. Robins served as Compliance Officer of FMR Co., Inc. (investment adviser firm, 2016-2019), as Executive Vice President of Fidelity Investments Money Management, Inc. (investment adviser firm, 2013-2016) and served in other fund officer roles.

Brett Segaloff (1972)

Year of Election or Appointment: 2021

Anti-Money Laundering (AML) Officer

Mr. Segaloff also serves as an AML Officer of other funds and other related entities. He is Director, Anti-Money Laundering (2007-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments (1996-present).

Stacie M. Smith (1974)

Year of Election or Appointment: 2013

Assistant Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FIMM, LLC (2021-present) and FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2019) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Jim Wegmann (1979)

Year of Election or Appointment: 2021

Deputy Treasurer

Mr. Wegmann also serves as an officer of other funds. Mr. Wegmann serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2011-present). Previously, Mr. Wegmann served as Assistant Treasurer of certain Fidelity® funds (2019-2021).

Shareholder Expense Example

As a shareholder, you incur two types of costs: (1) transaction costs, which may include sales charges (loads) on purchase payments or redemption proceeds, as applicable and (2) ongoing costs, which generally include management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in a fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (July 1, 2021 to December 31, 2021).

Actual Expenses

The first line of the accompanying table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000.00 (for example, an \$8,600 account value divided by \$1,000.00 = 8.6), then multiply the result by the number in the first line for a class/Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. If any fund is a shareholder of any underlying mutual funds or exchange-traded funds (ETFs) (the Underlying Funds), such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses incurred presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. If any fund is a shareholder of any Underlying Funds, such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses as presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Annualized Expense Ratio- ^A	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period- ^B July 1, 2021 to December 31, 2021
VIP Bond Index Portfolio				
Initial Class	.14%			
Actual		\$1,000.00	\$998.10	\$.71
Hypothetical- ^C		\$1,000.00	\$1,024.50	\$.71
Service Class	.24%			
Actual		\$1,000.00	\$997.90	\$1.21
Hypothetical- ^C		\$1,000.00	\$1,024.00	\$1.22
Service Class 2	.39%			
Actual		\$1,000.00	\$997.00	\$1.96
Hypothetical- ^C		\$1,000.00	\$1,023.24	\$1.99

^A Annualized expense ratio reflects expenses net of applicable fee waivers.

^B Expenses are equal to the annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). The fees and expenses of any Underlying Funds are not included in each annualized expense ratio.

^C 5% return per year before expenses

Distributions (Unaudited)

A total of 24.38% of the dividends distributed during the fiscal year was derived from interest on U.S. Government securities which is generally exempt from state income tax. The fund designates \$12,764,137 of distributions paid in the calendar year 2020 as qualifying to be taxed as section 163(j) interest dividends.

Board Approval of Investment Advisory Contracts and Management Fees

VIP Bond Index Portfolio

Each year, the Board of Trustees, including the Independent Trustees (together, the Board), votes on the renewal of the management contract with Fidelity Management & Research Company LLC (FMR) and the sub-advisory agreements (together, the Advisory Contracts) for the fund. FMR and the sub-advisers are referred to herein as the Investment Advisers. The Board, assisted by the advice of fund counsel and Independent Trustees' counsel, requests and considers a broad range of information relevant to the renewal of the Advisory Contracts throughout the year.

The Board meets regularly and, at each of its meetings, covers an extensive agenda of topics and materials and considers factors that are relevant to its annual consideration of the renewal of the fund's Advisory Contracts, including the services and support provided to the fund and its shareholders. The Board has established four standing committees (Committees) — Operations, Audit, Fair Valuation, and Governance and Nominating — each composed of and chaired by Independent Trustees with varying backgrounds, to which the Board has assigned specific subject matter responsibilities in order to enhance effective decision-making by the Board. The Operations Committee, of which all of the Independent Trustees are members, meets regularly throughout the year and considers, among other matters, information specifically related to the annual consideration of the renewal of the fund's Advisory Contracts. The Board, acting directly and through its Committees, requests and receives information concerning the annual consideration of the renewal of the fund's Advisory Contracts. The Board also meets as needed to review matters specifically related to the Board's annual consideration of the renewal of the Advisory Contracts. Members of the Board may also meet with trustees of other Fidelity funds through joint ad hoc committees to discuss certain matters relevant to all of the Fidelity funds.

At its September 2021 meeting, the Board unanimously determined to renew the fund's Advisory Contracts. In reaching its determination, the Board considered all factors it believed relevant, including (i) the nature, extent, and quality of the services provided to the fund and its shareholders (including the investment performance of the fund); (ii) the competitiveness relative to peer funds of the fund's management fee and total expense ratio; (iii) the total costs of the services provided by and the profits realized by Fidelity from its relationships with the fund; and (iv) the extent to which, if any, economies of scale exist and are realized as the fund grows, and whether any economies of scale are appropriately shared with fund shareholders.

In considering whether to renew the Advisory Contracts for the fund, the Board reached a determination, with the assistance of fund counsel and Independent Trustees' counsel and through the exercise of its business judgment, that the renewal of the Advisory Contracts was in the best interests of the fund and its shareholders and that the compensation payable under the Advisory Contracts was fair and reasonable. The Board's decision to renew the Advisory Contracts was not based on any single factor, but rather was based on a comprehensive consideration of all the information provided to the Board at its meetings throughout the year. The Board, in reaching its determination to renew the Advisory Contracts, was aware that shareholders of the fund have a broad range of investment choices available to them, including a wide choice among funds offered by Fidelity's competitors, and that the fund's shareholders, who have the opportunity to review and weigh the disclosure provided by the fund in its prospectus and other public disclosures, have chosen to invest in this fund, which is part of the Fidelity family of funds.

Nature, Extent, and Quality of Services Provided. The Board considered Fidelity's staffing as it relates to the fund, including the backgrounds of investment personnel of Fidelity, and also considered the fund's investment objective, strategies, and related investment philosophy. The Independent Trustees also had discussions with senior management of Fidelity's investment operations and investment groups. The Board considered the structure of the investment personnel compensation program and whether this structure provides appropriate incentives to act in the best interests of the fund. Additionally, the Board considered the portfolio managers' investments, if any, in the funds that they manage. The Board also considered the steps Fidelity had taken to ensure the continued provision of high quality services to the Fidelity funds during the COVID-19 pandemic, including the expansion of staff in client facing positions to maintain service levels in periods of high volumes and volatility.

Resources Dedicated to Investment Management and Support Services. The Board reviewed the general qualifications and capabilities of Fidelity's investment staff, including its size, education, experience, and resources, as well as Fidelity's approach to recruiting, training, managing, and compensating investment personnel. The Board noted the resources devoted to Fidelity's global investment organization, and that Fidelity's analysts have extensive resources, tools and capabilities that allow them to conduct sophisticated quantitative and fundamental analysis, as well as credit analysis of issuers, counterparties and guarantors. Further, the Board considered that Fidelity's investment professionals have sufficient access to global information and data so as to provide competitive investment results over time, and that those professionals also have access to sophisticated tools that permit them to assess portfolio construction and risk and performance attribution characteristics continuously, as well as to transmit new information and research conclusions rapidly around the world. Additionally, in its deliberations, the Board considered Fidelity's trading, risk management, compliance, cybersecurity, and technology and operations capabilities and resources, which are integral parts of the investment management process.

Shareholder and Administrative Services. The Board considered (i) the nature, extent, quality, and cost of advisory, administrative, and shareholder services performed by the Investment Advisers and their affiliates under the Advisory Contracts and under separate agreements covering transfer agency, pricing and bookkeeping, and securities lending services for the fund; (ii) the nature and extent of the supervision of third party service providers, principally custodians, subcustodians, and pricing vendors; and (iii) the resources devoted to, and the record of compliance with, the fund's compliance policies and procedures.

The Board noted that the growth of fund assets over time across the complex allows Fidelity to reinvest in the development of services designed to enhance the value and convenience of the Fidelity funds as investment vehicles. These services include 24-hour access to account information and market information over the Internet and through telephone representatives, investor education materials and asset allocation tools. The Board also considered that it reviews customer service metrics such as telephone response times, continuity of services on the website and metrics addressing services at Fidelity Investor Centers.

Investment in a Large Fund Family. The Board considered the benefits to shareholders of investing in a Fidelity fund, including the benefits of investing in a fund that is part of a large family of funds offering a variety of investment disciplines and providing a large variety of mutual fund investor services. The Board noted that Fidelity had taken, or had made recommendations to the Board that resulted in the Fidelity funds taking, a number of actions over the previous year that benefited particular funds, including: (i) continuing to dedicate additional resources to Fidelity's investment research process, which includes meetings with management of issuers of securities in which the funds invest; (ii) continuing efforts to enhance Fidelity's global research capabilities; (iii) launching new funds and ETFs with innovative structures, strategies and pricing and making other enhancements to meet client needs; (iv) launching new share classes of existing funds; (v) eliminating purchase minimums and broadening eligibility requirements for certain funds and share classes; (vi) reducing the holding period for the conversion of Class C shares to Class A shares; (vii) reducing management fees and total expenses for certain target date funds and classes and index funds; (viii) lowering expenses for certain existing funds and classes by implementing or lowering expense caps; (ix) rationalizing product lines and gaining increased efficiencies from fund mergers, liquidations, and share class consolidations; (x) continuing to develop, acquire and implement systems

Board Approval of Investment Advisory Contracts and Management Fees – continued

and technology to improve services to the funds and shareholders, strengthen information security, and increase efficiency; and (xi) continuing to implement enhancements to further strengthen Fidelity’s product line to increase investors’ probability of success in achieving their investment goals, including their retirement income goals.

Investment Performance. The Board considered whether the fund has operated in accordance with its investment objective, as well as its record of compliance with its investment restrictions and its performance history.

The Board took into account discussions that occur at Board meetings throughout the year with representatives of the Investment Advisers about fund investment performance. In this regard the Board noted that as part of regularly scheduled fund reviews and other reports to the Board on fund performance, the Board considers annualized return information for the fund for different time periods, measured against the securities market index the fund seeks to track. The Board also periodically considers the fund’s tracking error versus its benchmark index.

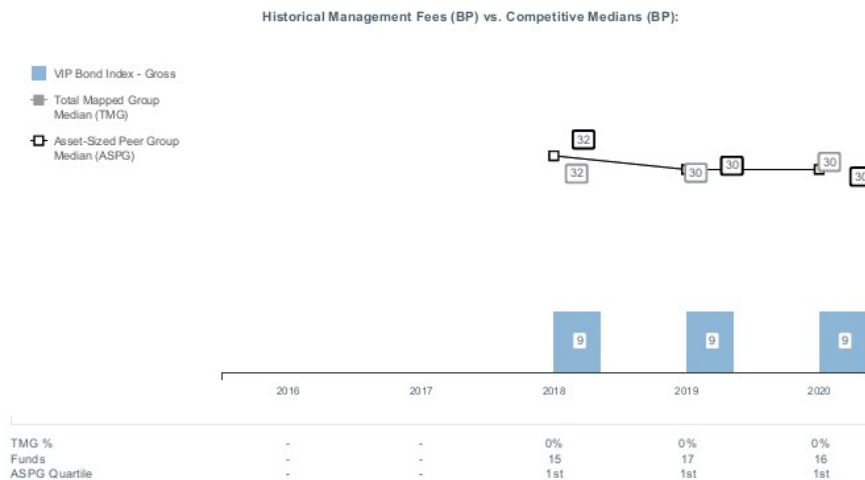
In addition to reviewing absolute and relative fund performance, the Independent Trustees periodically consider the appropriateness of fund performance metrics in evaluating the results achieved. In general, the Independent Trustees believe that an index fund’s performance should be evaluated based on gross performance (before fees and expenses but after transaction costs) compared to a fund’s benchmark index, over appropriate time periods, taking into account relevant factors including the following: general market conditions; the characteristics of the fund’s benchmark index; the extent to which statistical sampling is employed; and fund cash flows and other factors. The Independent Trustees generally give greater weight to fund performance over longer time periods than over shorter time periods. Depending on the circumstances, the Independent Trustees may be satisfied with a fund’s performance notwithstanding that it lags its benchmark index for certain periods.

The Independent Trustees recognize that shareholders evaluate performance on a net basis (after fees and expenses) over their own holding periods, for which one-, three-, and five-year periods are often used as a proxy. For this reason, the performance information reviewed by the Board also included net calendar year total return information for the fund and its benchmark index for the most recent one-year period. No performance peer group information was considered by the Board due to the fact that the peer group does not distinguish between passively-managed and actively-managed funds. The Independent Trustees recognize that shareholders who are not investing through a tax-advantaged retirement account also consider tax consequences in evaluating performance.

Based on its review, the Board concluded that the nature, extent, and quality of services provided to the fund under the Advisory Contracts should continue to benefit the shareholders of the fund.

Competitiveness of Management Fee and Total Expense Ratio. The Board considered the fund’s management fee and total expense ratio compared to “mapped groups” of competitive funds and classes created for the purpose of facilitating the Trustees’ competitive analysis of management fees and total expenses. Fidelity creates “mapped groups” by combining similar Lipper investment objective categories that have comparable investment mandates. Combining Lipper investment objective categories aids the Board’s management fee and total expense ratio comparisons by broadening the competitive group used for comparison.

Management Fee. The Board considered two proprietary management fee comparisons for the 12-month (or shorter) periods shown in basis points (BP) in the chart below. The group of Lipper funds used by the Board for management fee comparisons is referred to below as the “Total Mapped Group.” The Total Mapped Group comparison focuses on a fund’s standing in terms of gross management fees before expense reimbursements or caps relative to the total universe of funds with comparable investment mandates, regardless of whether their management fee structures also are comparable. Funds with comparable investment mandates offer exposure to similar types of securities. Funds with comparable management fee structures have similar management fee contractual arrangements (e.g., flat rate charged for advisory services, all-inclusive fee rate, etc.). “TMG %” represents the percentage of funds in the Total Mapped Group that had management fees that were lower than the fund’s. For example, a hypothetical TMG % of 20% would mean that 80% of the funds in the Total Mapped Group had higher, and 20% had lower, management fees than the fund. The fund’s actual TMG %s and the number of funds in the Total Mapped Group are in the chart below. The “Asset-Sized Peer Group” (ASPG) comparison focuses on a fund’s standing relative to a subset of non-Fidelity funds within the Total Mapped Group that are similar in size and management fee structure. For example, if a fund is in the first quartile of the ASPG, the fund’s management fee ranks in the least expensive or lowest 25% of funds in the ASPG. The ASPG represents at least 15% of the funds in the Total Mapped Group with comparable asset size and management fee structures, subject to a minimum of 50 funds (or all funds in the Total Mapped Group if fewer than 50). Additional information, such as the ASPG quartile in which the fund’s management fee rate ranked, is also included in the chart and was considered by the Board.



The Board noted that the fund’s management fee rate ranked below the median of its Total Mapped Group and below the median of its ASPG for 2020.

Based on its review, the Board concluded that the fund's management fee is fair and reasonable in light of the services that the fund receives and the other factors considered.

Total Expense Ratio. In its review of the total expense ratio of the representative class (Initial Class) of the fund, the Board considered the fund's management fee rate as well as other "fund-level" expenses, such as pricing and bookkeeping fees and custodial, legal, and audit fees, paid by FMR under the fund's management contract. The Board also considered other "class-level" expenses, such as transfer agent fees and fund-paid 12b-1 fees. The Board also noted that Fidelity may agree to waive fees or reimburse expenses from time to time, and the extent to which, if any, it has done so for the fund. The fund's representative class is compared to those funds and classes in the Total Mapped Group (used by the Board for management fee comparisons) that have a similar sales load structure. The Board also considered a total expense ASPG comparison, which focuses on the total expenses of the representative class relative to a subset of non-Fidelity funds within the similar sales load structure group. The total expense ASPG is limited to 15 larger and 15 smaller classes of different funds, where possible. The total expense ASPG comparison excludes performance adjustments and fund-paid 12b-1 fees to eliminate variability in expenses relating to these items.

The Board noted that the total expense ratio of the Initial Class ranked below the similar sales load structure group competitive median for 2020 and below the ASPG competitive median for 2020.

The Board considered that current contractual arrangements for the fund oblige FMR to pay all "class-level" expenses of each class of the fund to the extent necessary to limit total operating expenses, with certain exceptions, as follows: Initial Class: 0.14%; Service Class: 0.24%; and Service Class 2: 0.39%. These contractual arrangements may not be amended to increase the fees or expenses payable except by a vote of a majority of the Board.

Fees Charged to Other Fidelity Clients. The Board also considered Fidelity fee structures and other information with respect to clients of Fidelity, such as other funds advised or subadvised by Fidelity, pension plan clients, and other institutional clients with similar mandates. The Board noted that a joint ad hoc committee created by it and the boards of other Fidelity funds periodically reviews and compares Fidelity's institutional investment advisory business with its business of providing services to the Fidelity funds and also noted the most recent findings of the committee. The Board noted that the committee's review included a consideration of the differences in services provided, fees charged, and costs incurred, as well as competition in the markets serving the different categories of clients.

Based on its review of total expense ratios and fees charged to other Fidelity clients, the Board concluded that the total expense ratio of each class of the fund was reasonable in light of the services that the fund and its shareholders receive and the other factors considered.

Costs of the Services and Profitability. The Board considered the revenues earned and the expenses incurred by Fidelity in conducting the business of developing, marketing, distributing, managing, administering and servicing the fund and servicing the fund's shareholders. The Board also considered the level of Fidelity's profits in respect of all the Fidelity funds.

On an annual basis, Fidelity presents to the Board information about the profitability of its relationships with the fund. Fidelity calculates profitability information for each fund, as well as aggregate profitability information for groups of Fidelity funds and all Fidelity funds, using a series of detailed revenue and cost allocation methodologies which originate with the books and records of Fidelity on which Fidelity's audited financial statements are based. The Audit Committee of the Board reviews any significant changes from the prior year's methodologies and the full Board approves such changes.

A public accounting firm has been engaged annually by the Board as part of the Board's assessment of Fidelity's profitability analysis. The engagement includes the review and assessment of the methodologies used by Fidelity in determining the revenues and expenses attributable to Fidelity's mutual fund business, and completion of agreed-upon procedures in respect of the mathematical accuracy of certain fund profitability information and its conformity to established allocation methodologies. After considering the reports issued under the engagement and information provided by Fidelity, the Board concluded that while other allocation methods may also be reasonable, Fidelity's profitability methodologies are reasonable in all material respects.

The Board also reviewed Fidelity's non-fund businesses and potential indirect benefits such businesses may have received as a result of their association with Fidelity's mutual fund business (i.e., fall-out benefits) as well as cases where Fidelity's affiliates may benefit from the funds' business. The Board considered areas where potential indirect benefits to the Fidelity funds from their relationships with Fidelity may exist. The Board's consideration of these matters was informed by the findings of a joint ad hoc committee created by it and the boards of other Fidelity funds to evaluate potential fall-out benefits.

The Board considered the costs of the services provided by and the profits realized by Fidelity in connection with the operation of the fund and was satisfied that the profitability was not excessive.

Economies of Scale. The Board considered whether there have been economies of scale in respect of the management of the Fidelity funds, whether the Fidelity funds (including the fund) have appropriately benefited from any such economies of scale, and whether there is potential for realization of any further economies of scale. The Board considered the extent to which the fund will benefit from economies of scale as assets grow through increased services to the fund, through waivers or reimbursements, or through fee or expense ratio reductions. The Board recognized that, due to the fund's current contractual arrangements, the expense ratio of each class will not decline if the class's operating costs decrease as assets grow, or rise as assets decrease. The Board also noted that a committee (the Economies of Scale Committee) created by it and the boards of other Fidelity funds periodically analyzes whether Fidelity attains economies of scale in respect of the management and servicing of the Fidelity funds, whether the Fidelity funds have appropriately benefited from such economies of scale, and whether there is potential for realization of any further economies of scale.

The Board concluded, taking into account the analysis of the Economies of Scale Committee, that economies of scale, if any, are being appropriately shared between fund shareholders and Fidelity.

Additional Information Requested by the Board. In order to develop fully the factual basis for consideration of the Fidelity funds' advisory contracts, the Board requested and received additional information on certain topics, including: (i) Fidelity's fund profitability methodology, profitability trends for certain funds, the allocation of various costs to different funds, and the impact of certain factors on fund profitability results; (ii) portfolio manager changes that have occurred during the past year and the amount of the investment that each portfolio manager has made in the Fidelity fund(s) that he or she manages; (iii) the extent to which current market conditions have affected retention and recruitment of personnel; (iv) the arrangements with and compensation paid to certain fund sub-advisers on behalf of the Fidelity funds and the treatment of such compensation within Fidelity's fund profitability methodology; (v) the terms of the funds' various management fee structures, including the basic group fee and the terms of Fidelity's voluntary expense limitation arrangements; (vi) Fidelity's transfer agent fee, expense, and service structures for different funds and classes relative to competitive trends; (vii) the impact on fund profitability of recent industry trends, such as the growth in passively managed funds and the continued waiver of money market fund fees; (viii) the types of management fee and total expense comparisons provided, and the challenges and limitations associated with such information; and (ix) explanations regarding

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the relative total expense ratios of certain funds and classes, total expense competitive trends and methodologies for total expense competitive comparisons. In addition, the Board considered its discussions with Fidelity regarding Fidelity's efforts to maintain the continuous investment and shareholder services necessary for the funds during the current pandemic and economic circumstances. Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board concluded that the advisory fee arrangements are fair and reasonable, and that the fund's Advisory Contracts should be renewed.

