

**Semiannual Report** | June 30, 2022

## Vanguard Variable Insurance Funds

Balanced Portfolio

**Contents**

About Your Portfolio's Expenses ..... 1  
Financial Statements ..... 3  
Trustees Approve Advisory Arrangement ..... 27  
Liquidity Risk Management.....28

## About Your Portfolio's Expenses

As a shareholder of the portfolio, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a portfolio's gross income, directly reduce the investment return of the portfolio.

A portfolio's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your portfolio and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your portfolio's costs in two ways:

- **Based on actual portfolio return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the portfolio's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the portfolio. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your portfolio under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your portfolio's costs with those of other mutual funds. It assumes that the portfolio had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the portfolio's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your portfolio's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the portfolio for buying and selling securities. The portfolio's expense ratio does not reflect additional fees and expenses associated with the annuity or life insurance program through which you invest.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the portfolio's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your portfolio's current prospectus.

### Six Months Ended June 30, 2022

Balanced Portfolio	Beginning Account Value 12/31/2021	Ending Account Value 6/30/2022	Expenses Paid During Period
Based on Actual Portfolio Return	\$1,000.00	\$ 839.20	\$0.96
Based on Hypothetical 5% Yearly Return	1,000.00	1,023.75	1.05

The calculations are based on expenses incurred in the most recent six-month period. The portfolio's annualized six-month expense ratio for that period is 0.21%. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (181/365).

# Balanced Portfolio

## Portfolio Allocation

As of June 30, 2022

Asset-Backed/Commercial Mortgage-Backed Securities	0.9%
Common Stocks	65.6
Corporate Bonds	22.5
Sovereign Bonds	0.4
Taxable Municipal Bonds	1.8
U.S. Government and Agency Obligations	8.8

The table reflects the portfolio's investments, except for short-term investments and derivatives. The agency and mortgage-backed securities may include issues from government-sponsored enterprises; such issues are generally not backed by the full faith and credit of the U.S. government.

# Financial Statements (unaudited)

## Schedule of Investments

As of June 30, 2022

The portfolio files its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The portfolio's Form N-PORT reports are available on the SEC's website at [www.sec.gov](http://www.sec.gov).

	Shares	Market Value• (\$000)		Shares	Market Value• (\$000)
<b>Common Stocks (65.0%)</b>			<b>Industrials (6.0%)</b>		
<b>Communication Services (5.2%)</b>			Raytheon Technologies Corp.		
* Alphabet Inc. Class A	42,746	93,155	342,709	32,938	
* Meta Platforms Inc. Class A	271,173	43,726	Johnson Controls International plc	527,822	25,272
Electronic Arts Inc.	161,439	19,639	Illinois Tool Works Inc.	123,490	22,506
		<b>156,520</b>	Northrop Grumman Corp.	44,435	21,265
<b>Consumer Discretionary (7.1%)</b>			Deere & Co.	70,358	21,070
McDonald's Corp.	241,392	59,595	Fortive Corp.	344,583	18,739
* Amazon.com Inc.	389,240	41,341	Trane Technologies plc	135,545	17,603
TJX Cos. Inc.	501,391	28,003	Parker-Hannifin Corp.	63,078	15,520
Home Depot Inc.	101,240	27,767	Schneider Electric SE	71,865	8,563
Starbucks Corp.	361,923	27,647			<b>183,476</b>
Dollar General Corp.	48,442	11,890	<b>Information Technology (13.3%)</b>		
Lennar Corp. Class A	100,400	7,085	Microsoft Corp.	579,835	148,919
DR Horton Inc.	76,021	5,032	Apple Inc.	532,649	72,824
NIKE Inc. Class B	40,909	4,181	Texas Instruments Inc.	262,463	40,327
* Coupang Inc.	294,543	3,755	Visa Inc. Class A	121,224	23,868
		<b>216,296</b>	Mastercard Inc. Class A	75,504	23,820
<b>Consumer Staples (5.4%)</b>			Taiwan Semiconductor Manufacturing Co. Ltd. ADR	221,934	18,143
Procter & Gamble Co.	359,615	51,709	Global Payments Inc.	159,734	17,673
Sysco Corp.	529,031	44,814	Accenture plc Class A	63,074	17,513
Coca-Cola Co.	648,517	40,798	* Salesforce Inc.	89,548	14,779
Nestle SA (Registered)	227,123	26,545	Fidelity National Information Services Inc.	121,422	11,131
		<b>163,866</b>	Marvell Technology Inc.	166,478	7,247
<b>Energy (3.0%)</b>			KLA Corp.	20,698	6,604
TotalEnergies SE	1,043,207	54,911	Lam Research Corp.	3,461	1,475
Shell plc	1,350,454	35,041	* Workday Inc. Class A	6,959	971
Shell plc (XLON)	77,515	2,019			<b>405,294</b>
		<b>91,971</b>	<b>Materials (0.8%)</b>		
<b>Financials (7.9%)</b>			Glencore plc	3,083,124	16,700
Charles Schwab Corp.	1,086,093	68,619	Anglo American plc	220,993	7,900
Progressive Corp.	374,813	43,580			<b>24,600</b>
JPMorgan Chase & Co.	331,090	37,284	<b>Real Estate (1.8%)</b>		
S&P Global Inc.	55,304	18,641	American Tower Corp.	71,546	18,286
BlackRock Inc.	29,800	18,149	Welltower Inc.	204,385	16,831
American Express Co.	122,877	17,033	Prologis Inc.	101,298	11,918
Morgan Stanley	205,605	15,638	VICI Properties Inc.	259,482	7,730
Blackstone Inc.	124,882	11,393			<b>54,765</b>
Goldman Sachs Group Inc.	34,185	10,154	<b>Utilities (2.9%)</b>		
		<b>240,491</b>	Exelon Corp.	819,947	37,160
<b>Health Care (11.6%)</b>			Duke Energy Corp.	346,261	37,123
Pfizer Inc.	1,072,043	56,207	Constellation Energy Corp.	199,379	11,416
UnitedHealth Group Inc.	103,964	53,399	American Electric Power Co. Inc.	21,355	2,049
Humana Inc.	84,639	39,617			<b>87,748</b>
Elevance Health Inc.	74,558	35,980	<b>Total Common Stocks (Cost \$1,616,880)</b>		
Novartis AG (Registered)	404,714	34,312	<b>1,977,701</b>		
HCA Healthcare Inc.	193,371	32,498			
AstraZeneca plc ADR	469,349	31,010			
Becton Dickinson and Co.	116,000	28,598			
Danaher Corp.	69,207	17,545			
Baxter International Inc.	224,646	14,429			
Johnson & Johnson	51,146	9,079			
		<b>352,674</b>			

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
<b>U.S. Government and Agency Obligations (8.7%)</b>				
<b>U.S. Government Securities (7.4%)</b>				
United States Treasury Note/Bond	0.250%	9/30/23	1,100	1,064
United States Treasury Note/Bond	0.125%	1/15/24	1,245	1,192
United States Treasury Note/Bond	1.500%	2/29/24	5,730	5,595
United States Treasury Note/Bond	2.250%	3/31/24	5,275	5,208
United States Treasury Note/Bond	2.500%	4/30/24	1,500	1,487
United States Treasury Note/Bond	0.250%	5/15/24	800	760
United States Treasury Note/Bond	1.750%	6/30/24	9,215	8,993
United States Treasury Note/Bond	0.375%	8/15/24	16,500	15,605
United States Treasury Note/Bond	0.375%	9/15/24	1,200	1,132
1,2 United States Treasury Note/Bond	0.625%	10/15/24	26,675	25,270
United States Treasury Note/Bond	1.500%	10/31/24	3,350	3,236
United States Treasury Note/Bond	0.750%	11/15/24	750	711
United States Treasury Note/Bond	1.000%	12/15/24	5,350	5,094
United States Treasury Note/Bond	1.125%	1/15/25	8,600	8,200
United States Treasury Note/Bond	1.125%	2/28/25	6,395	6,085
United States Treasury Note/Bond	1.750%	3/15/25	9,980	9,646
United States Treasury Note/Bond	2.625%	4/15/25	10,390	10,278
United States Treasury Note/Bond	0.250%	5/31/25	4,850	4,475
United States Treasury Note/Bond	0.250%	7/31/25	5,655	5,190
United States Treasury Note/Bond	0.250%	8/31/25	4,800	4,394
United States Treasury Note/Bond	0.250%	10/31/25	22,365	20,377
United States Treasury Note/Bond	0.375%	12/31/25	890	811
United States Treasury Note/Bond	0.375%	1/31/26	7,630	6,936
United States Treasury Note/Bond	0.500%	2/28/26	2,100	1,914
United States Treasury Note/Bond	0.750%	3/31/26	1,350	1,240
United States Treasury Note/Bond	0.750%	5/31/26	2,625	2,401
United States Treasury Note/Bond	1.500%	1/31/27	600	560
United States Treasury Note/Bond	1.875%	2/28/27	1,310	1,244
United States Treasury Note/Bond	2.500%	3/31/27	16,965	16,552
United States Treasury Note/Bond	2.875%	5/15/32	1,930	1,908
United States Treasury Note/Bond	2.000%	11/15/41	30,380	24,119
United States Treasury Note/Bond	2.375%	2/15/42	5,440	4,612
United States Treasury Note/Bond	3.250%	5/15/42	6,270	6,119
United States Treasury Note/Bond	2.250%	2/15/52	7,285	5,994

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
United States Treasury Note/Bond	2.875%	5/15/52	7,155	6,755
				<b>225,157</b>
<b>Conventional Mortgage-Backed Securities (1.1%)</b>				
<sup>3,4</sup> Fannie Mae Pool	1.770%	1/1/36	548	452
<sup>3,4</sup> Freddie Mac Gold Pool	4.000%	9/1/41	2	2
<sup>3</sup> Ginnie Mae I Pool	7.000%	11/15/31 - 11/15/33	34	37
<sup>3</sup> Ginnie Mae I Pool	8.000%	9/15/30	30	31
<sup>3,4</sup> UMBS Pool	2.500%	4/1/37 - 4/1/38	761	700
<sup>3,4,5</sup> UMBS Pool	3.000%	7/14/52	22,900	21,318
<sup>3,4,5</sup> UMBS Pool	3.500%	7/14/52	4,100	3,941
<sup>3,4,5</sup> UMBS Pool	4.000%	7/14/52	8,700	8,578
				<b>35,059</b>
<b>Nonconventional Mortgage-Backed Securities (0.2%)</b>				
<sup>3,4</sup> Fannie Mae REMICS	1.500%	8/25/41	105	101
<sup>3,4</sup> Fannie Mae REMICS	1.700%	6/25/43	56	54
<sup>3,4</sup> Fannie Mae REMICS	2.000%	6/25/44	25	25
<sup>3,4</sup> Fannie Mae REMICS	2.500%	8/25/46	433	362
<sup>3,4</sup> Fannie Mae REMICS	3.000%	12/25/39 - 9/25/57	1,282	1,212
<sup>3,4</sup> Fannie Mae REMICS	3.500%	4/25/31 - 11/25/57	2,236	2,207
<sup>3,4</sup> Fannie Mae REMICS	4.000%	7/25/53	82	82
<sup>3,4</sup> Freddie Mac REMICS	3.000%	6/15/44 - 7/15/45	286	269
<sup>3,4</sup> Freddie Mac REMICS	3.500%	3/15/31 - 10/15/45	259	253
<sup>3,4</sup> Freddie Mac REMICS	4.000%	12/15/30 - 2/15/31	132	132
<sup>3</sup> Ginnie Mae	1.700%	10/20/45	45	45
				<b>4,742</b>
<b>Total U.S. Government and Agency Obligations (Cost \$283,038)</b>				<b>264,958</b>
<b>Asset-Backed/Commercial Mortgage-Backed Securities (0.9%)</b>				
<sup>3,6</sup> Aaset Trust Class A Series 2019-1	3.844%	5/15/39	280	192
<sup>3,6</sup> Affirm Asset Securitization Trust Class A Series 2021-B	1.030%	8/17/26	510	489
<sup>3,6</sup> Affirm Asset Securitization Trust Class A Series 2021-Z1	1.070%	8/15/25	288	281
<sup>3,6</sup> Affirm Asset Securitization Trust Class A Series 2021-Z2	1.170%	11/16/26	402	393
<sup>3,6</sup> Aligned Data Centers Issuer LLC Class A2 Series 2021-1A	1.937%	8/15/46	1,260	1,114
<sup>3,6</sup> American Tower Trust #1 Class 2A Series 13	3.070%	3/15/48	1,100	1,092
<sup>3,6,7</sup> Angel Oak Mortgage Trust Class A1 Series 2019-5	2.593%	10/25/49	87	85
<sup>3,6,7</sup> Angel Oak Mortgage Trust Class A1 Series 2019-6	2.620%	11/25/59	196	196
<sup>3,6,7</sup> Angel Oak Mortgage Trust Class A1 Series 2021-6	1.458%	9/25/66	761	648
<sup>3,6,7</sup> Angel Oak Mortgage Trust I LLC Class A1 Series 2019-2	3.628%	3/25/49	15	15
<sup>3,6,7</sup> Angel Oak Mortgage Trust I LLC Class A1 Series 2019-4	2.993%	7/26/49	55	55
<sup>3,6,7</sup> BX Commercial Mortgage Trust Class A Series 2021-VOLT, 1M USD LIBOR + 0.700%	2.024%	9/15/36	870	832
<sup>3,6,7</sup> BX Trust Class A Series 2021-ARIA, 1M USD LIBOR + 0.899%	2.223%	10/15/36	425	400
<sup>3,6,7</sup> BXHPP Trust Class A Series 2021-FILM, 1M USD LIBOR + 0.650%	1.974%	8/15/36	440	424
<sup>3,6,7</sup> BXHPP Trust Class B Series 2021-FILM, 1M USD LIBOR + 0.900%	2.224%	8/15/36	95	90
<sup>3,6</sup> Castletlake Aircraft Structured Trust Class A Series 2019-1A	3.967%	4/15/39	552	487

## Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
<sup>3.6</sup> CF Hippolyta LLC Class A1 Series 2021-A1	1.530%	3/15/61	721	637	<sup>3.6,7</sup> Symphony CLO XIV Ltd. Class AR Series 2014-14A, 3M USD LIBOR + 0.950%	1.988%	7/14/26	161	160
<sup>3.6</sup> Chesapeake Funding II LLC Class A1 Series 2018-3A	3.390%	1/15/31	82	82	<sup>3.6</sup> Taco Bell Funding LLC Class A2I Series 2021-1A	1.946%	8/25/51	1,139	988
<sup>3.6,7</sup> Cloud Pass-Through Trust Class CLOU Series 2019-1A	3.554%	12/5/22	3	3	<sup>3.6</sup> Taco Bell Funding LLC Class A2II Series 2021-1A	2.294%	8/25/51	1,045	888
<sup>3.6</sup> DB Master Finance LLC Class A2II Series 2019-1A	4.021%	5/20/49	394	382	<sup>3.6</sup> Vantage Data Centers Issuer LLC Class A2 Series 2019-1A	3.188%	7/15/44	316	307
<sup>3.6</sup> Domino's Pizza Master Issuer LLC Class A2I Series 2021-1A	2.662%	4/25/51	990	858	<sup>3.6</sup> Vantage Data Centers Issuer LLC Class A2 Series 2021-1A	2.165%	10/15/46	1,405	1,257
<sup>3.6</sup> Domino's Pizza Master Issuer LLC Class A2II Series 2021-1A	3.151%	4/25/51	886	776	<sup>3.6</sup> Vantage Data Centers LLC Class A2 Series 2020-1A	1.645%	9/15/45	855	778
<sup>3.6</sup> Enterprise Fleet Financing LLC Class A2 Series 2019-2	2.290%	2/20/25	136	136	<b>Total Asset-Backed/Commercial Mortgage-Backed Securities (Cost \$30,858)</b>				<b>28,032</b>
<sup>3.6</sup> Enterprise Fleet Financing LLC Class A2 Series 2019-3	2.060%	5/20/25	122	122	<b>Corporate Bonds (22.3%)</b>				
<sup>3.4,7</sup> Fannie Mae Connecticut Avenue Securities Class 2M2 Series 2016-C03, 1M USD LIBOR + 5.900%	7.524%	10/25/28	108	112	<b>Communications (1.5%)</b>				
<sup>3.4</sup> FHLMC Multifamily Structured Pass Through Certificates Class A3 Series K-1512	3.059%	4/25/34	300	277	America Movil SAB de CV	3.625%	4/22/29	780	742
<sup>3.6</sup> FirstKey Homes Trust Class A Series 2021-SFR1	1.538%	8/17/38	1,878	1,685	America Movil SAB de CV	6.125%	3/30/40	390	431
<sup>3.4</sup> Freddie Mac Multifamily Structured Pass Through Certificates	2.797%	8/25/34	300	269	AT&T Inc.	2.750%	6/1/31	1,305	1,128
<sup>3.4</sup> Freddie Mac Multifamily Structured Pass Through Certificates	2.184%	8/25/36	495	404	AT&T Inc.	4.300%	12/15/42	205	178
<sup>3.6</sup> Home Partners of America Trust Class A Series 2021-2	1.901%	12/17/26	1,040	924	AT&T Inc.	3.650%	6/1/51	248	194
<sup>3.6</sup> Horizon Aircraft Finance II Ltd. Class A Series 2019-1	3.721%	7/15/39	283	251	AT&T Inc.	3.500%	9/15/53	895	679
<sup>3.6</sup> Horizon Aircraft Finance III Ltd. Class A Series 2019-2	3.425%	11/15/39	294	251	AT&T Inc.	3.850%	6/1/60	747	578
<sup>3.6,7</sup> Life Mortgage Trust Class A Series 2021-BMR, 1M USD LIBOR + 0.700%	2.024%	3/15/38	290	278	Charter Communications Operating LLC / Charter Communications Operating Capital	2.800%	4/1/31	215	172
<sup>3.6</sup> MACH 1 Cayman Ltd. Class A Series 2019-1	3.474%	10/15/39	271	246	Charter Communications Operating LLC / Charter Communications Operating Capital	2.300%	2/1/32	215	163
<sup>3.6,7</sup> Madison Park Funding XIII Ltd. Class AR2 Series 2014-13A, 3M USD LIBOR + 0.950%	1.994%	4/19/30	907	896	Charter Communications Operating LLC / Charter Communications Operating Capital	3.500%	3/1/42	145	101
<sup>3.6,7</sup> Magnetite VII Ltd. Class A1R2 Series 2012-7A, 3M USD LIBOR + 0.800%	1.844%	1/15/28	1,512	1,490	Comcast Corp.	3.375%	2/15/25	70	69
<sup>3.6</sup> MAPS Ltd. Class A Series 2019-1A	4.458%	3/15/44	143	130	Comcast Corp.	3.400%	4/1/30	145	136
<sup>3.6</sup> Mercury Financial Credit Card Master Trust Class A Series 2021-1A	1.540%	3/20/26	1,005	957	Comcast Corp.	4.250%	1/15/33	1,032	1,014
<sup>3.6</sup> New Economy Assets Phase 1 Sponsor LLC Class A1 Series 2021-1	1.910%	10/20/61	2,875	2,507	Comcast Corp.	4.200%	8/15/34	730	703
<sup>3.6</sup> New Economy Assets Phase 1 Sponsor LLC Class B1 Series 2021-1	2.410%	10/20/61	300	260	Comcast Corp.	5.650%	6/15/35	110	120
<sup>3.6</sup> OneMain Direct Auto Receivables Trust Class A Series 2021-1A	0.870%	7/14/28	875	815	Comcast Corp.	4.400%	8/15/35	877	851
<sup>3.4</sup> Seasoned Credit Risk Transfer Trust Class MA Series 2019-3	3.500%	10/25/58	804	795	Comcast Corp.	6.500%	11/15/35	24	28
<sup>3.6,7</sup> SFAVE Commercial Mortgage Securities Trust Class A2B Series 2015-5AVE	4.144%	1/5/43	700	589	Comcast Corp.	3.969%	11/1/47	252	218
<sup>3.6</sup> SoFi Professional Loan Program Trust Class AFX Series 2021-B	1.140%	2/15/47	505	452	Comcast Corp.	4.000%	3/1/48	345	301
<sup>3.6</sup> START Ireland Class A Series 2019-1	4.089%	3/15/44	300	277	Comcast Corp.	3.999%	11/1/49	602	526
					Comcast Corp.	2.887%	11/1/51	1,520	1,087
					Comcast Corp.	2.450%	8/15/52	1,025	680
					Comcast Corp.	4.049%	11/1/52	617	541
					Comcast Corp.	2.937%	11/1/56	5,619	3,899
					Comcast Corp.	2.650%	8/15/62	615	396
					Comcast Corp.	2.987%	11/1/63	2,321	1,586
					<sup>6</sup> Cox Communications Inc.	3.150%	8/15/24	63	61
					<sup>6</sup> Cox Communications Inc.	2.600%	6/15/31	385	323
					<sup>6</sup> Cox Communications Inc.	4.800%	2/1/35	1,540	1,465
					<sup>6</sup> Deutsche Telekom International Finance BV	3.600%	1/19/27	300	293
					<sup>6</sup> Deutsche Telekom International Finance BV	4.375%	6/21/28	671	669
					Discovery Communications LLC	3.950%	3/20/28	430	402
					Discovery Communications LLC	4.125%	5/15/29	125	115
					Discovery Communications LLC	3.625%	5/15/30	505	449
					Discovery Communications LLC	5.200%	9/20/47	959	822
					Discovery Communications LLC	4.000%	9/15/55	497	347
					NBCUniversal Media LLC	4.450%	1/15/43	189	175
					<sup>6</sup> NBN Co. Ltd.	1.625%	1/8/27	760	676
					<sup>6</sup> NBN Co. Ltd.	2.625%	5/5/31	655	558
					<sup>6</sup> NBN Co. Ltd.	2.500%	1/8/32	2,179	1,821
					<sup>6</sup> NTT Finance Corp.	1.162%	4/3/26	1,040	936
					<sup>6</sup> NTT Finance Corp.	2.065%	4/3/31	285	239

## Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
<sup>6</sup> Ooredoo International Finance Ltd.	2.625%	4/8/31	725	631	<sup>3</sup> Johns Hopkins University	4.083%	7/1/53	200	191
Orange SA	9.000%	3/1/31	530	684	<sup>3</sup> Johns Hopkins University	2.813%	1/1/60	180	129
<sup>6</sup> SK Telecom Co. Ltd.	3.750%	4/16/23	385	386	Lowe's Cos. Inc.	3.100%	5/3/27	1,300	1,235
<sup>6</sup> Sky Ltd.	3.750%	9/16/24	1,435	1,427	Lowe's Cos. Inc.	6.500%	3/15/29	334	370
<sup>3,6</sup> Sprint Spectrum Co. LLC / Sprint Spectrum Co. II LLC / Sprint Spectrum Co. III LLC	4.738%	9/20/29	894	896	Lowe's Cos. Inc.	3.750%	4/1/32	185	172
Telefonica Emisiones SA	5.213%	3/8/47	490	437	McDonald's Corp.	3.250%	6/10/24	140	140
Telefonica Emisiones SA	5.520%	3/1/49	710	660	McDonald's Corp.	3.625%	9/1/49	470	385
Time Warner Entertainment Co. LP	8.375%	3/15/23	95	98	<sup>3</sup> Northeastern University	2.894%	10/1/50	225	165
T-Mobile USA Inc.	2.050%	2/15/28	900	782	Starbucks Corp.	4.500%	11/15/48	766	698
T-Mobile USA Inc.	3.875%	4/15/30	1,280	1,195	Thomas Jefferson University	3.847%	11/1/57	690	564
T-Mobile USA Inc.	2.550%	2/15/31	575	484	<sup>3</sup> University of Chicago	2.761%	4/1/45	165	135
T-Mobile USA Inc.	2.250%	11/15/31	150	122	University of Miami	4.063%	4/1/52	440	397
T-Mobile USA Inc.	4.375%	4/15/40	485	434	VF Corp.	2.800%	4/23/27	595	557
T-Mobile USA Inc.	4.500%	4/15/50	710	631	VF Corp.	2.950%	4/23/30	1,320	1,155
T-Mobile USA Inc.	3.300%	2/15/51	580	423					<b>30,769</b>
T-Mobile USA Inc.	3.600%	11/15/60	290	212	<b>Consumer Staples (0.7%)</b>				
TWDC Enterprises 18 Corp.	4.375%	8/16/41	133	125	Altria Group Inc.	5.800%	2/14/39	550	502
TWDC Enterprises 18 Corp.	4.125%	6/1/44	95	86	Altria Group Inc.	4.500%	5/2/43	135	100
Verizon Communications Inc.	4.329%	9/21/28	675	672	Anheuser-Busch Cos. LLC / Anheuser-Busch InBev Worldwide Inc.	4.700%	2/1/36	1,290	1,238
Verizon Communications Inc.	2.355%	3/15/32	485	402	Anheuser-Busch Cos. LLC / Anheuser-Busch InBev Worldwide Inc.	4.900%	2/1/46	1,015	957
Verizon Communications Inc.	4.812%	3/15/39	2,406	2,368	Anheuser-Busch InBev Worldwide Inc.	3.750%	7/15/42	520	424
Verizon Communications Inc.	4.750%	11/1/41	190	182	Archer-Daniels-Midland Co.	4.500%	3/15/49	970	968
Verizon Communications Inc.	2.987%	10/30/56	256	178	BAT Capital Corp.	3.557%	8/15/27	1,875	1,717
Walt Disney Co.	3.000%	9/15/22	245	245	<sup>6</sup> Cargill Inc.	6.875%	5/1/28	645	718
Walt Disney Co.	2.000%	9/1/29	2,600	2,233	<sup>6</sup> Cargill Inc.	2.125%	4/23/30	225	193
Walt Disney Co.	2.650%	1/13/31	385	339	<sup>6</sup> Cargill Inc.	4.760%	11/23/45	635	624
Walt Disney Co.	3.500%	5/13/40	1,490	1,272	<sup>6</sup> CK Hutchison International 20 Ltd.	3.375%	5/8/50	560	451
Walt Disney Co.	4.750%	9/15/44	26	25	<sup>6</sup> Coca-Cola Europacific Partners plc	0.800%	5/3/24	885	837
Walt Disney Co.	2.750%	9/1/49	560	401	Colgate Palmolive Co.	7.600%	5/19/25	480	529
Walt Disney Co.	3.600%	1/13/51	805	672	Conagra Brands Inc.	4.600%	11/1/25	220	221
Walt Disney Co.	3.800%	5/13/60	485	405	Conagra Brands Inc.	1.375%	11/1/27	345	288
				<b>44,979</b>	Conagra Brands Inc.	5.300%	11/1/38	300	283
<b>Consumer Discretionary (1.0%)</b>					<sup>6</sup> Danone SA	2.947%	11/2/26	735	704
Amazon.com Inc.	2.800%	8/22/24	220	218	Diageo Capital plc	2.625%	4/29/23	1,230	1,222
Amazon.com Inc.	3.600%	4/13/32	2,300	2,217	Diageo Capital plc	2.375%	10/24/29	580	514
Amazon.com Inc.	4.800%	12/5/34	995	1,044	Diageo Capital plc	2.000%	4/29/30	265	226
Amazon.com Inc.	4.950%	12/5/44	580	610	Estee Lauder Cos. Inc.	2.375%	12/1/29	370	329
Amazon.com Inc.	3.950%	4/13/52	780	718	Hormel Foods Corp.	1.700%	6/3/28	135	119
Amazon.com Inc.	4.250%	8/22/57	1,335	1,253	Kroger Co.	3.850%	8/1/23	270	271
<sup>6</sup> American Honda Finance Corp.	2.000%	3/24/28	825	732	Kroger Co.	4.000%	2/1/24	540	543
<sup>6</sup> BMW US Capital LLC	2.250%	9/15/23	2,500	2,471	McCormick & Co. Inc.	2.500%	4/15/30	135	115
<sup>6</sup> BMW US Capital LLC	0.800%	4/1/24	390	372	Molson Coors Beverage Co.	3.000%	7/15/26	1,800	1,693
<sup>6</sup> BMW US Capital LLC	1.250%	8/12/26	840	752	PepsiCo Inc.	2.375%	10/6/26	1,945	1,868
<sup>3</sup> Duke University	2.832%	10/1/55	775	590	Philip Morris International Inc.	2.500%	8/22/22	575	575
Emory University	2.143%	9/1/30	765	669	Philip Morris International Inc.	2.625%	3/6/23	1,150	1,145
<sup>6</sup> ERAC USA Finance LLC	3.300%	10/15/22	40	40	Philip Morris International Inc.	3.600%	11/15/23	620	623
<sup>6</sup> ERAC USA Finance LLC	7.000%	10/15/37	1,150	1,330	Philip Morris International Inc.	3.375%	8/11/25	424	417
<sup>6</sup> ERAC USA Finance LLC	5.625%	3/15/42	340	342	Philip Morris International Inc.	4.875%	11/15/43	145	129
General Motors Financial Co. Inc.	3.950%	4/13/24	1,570	1,558	<sup>6</sup> Sigma Alimentos SA de CV	4.125%	5/2/26	510	481
Georgetown University	4.315%	4/1/49	150	137					<b>21,024</b>
Georgetown University	2.943%	4/1/50	295	208	<b>Energy (1.2%)</b>				
Home Depot Inc.	3.900%	12/6/28	290	290	BP Capital Markets America Inc.	1.749%	8/10/30	345	283
Home Depot Inc.	2.700%	4/15/30	215	195	BP Capital Markets America Inc.	2.721%	1/12/32	1,150	991
Home Depot Inc.	3.250%	4/15/32	370	345	BP Capital Markets America Inc.	2.772%	11/10/50	470	327
Home Depot Inc.	3.300%	4/15/40	825	700	BP Capital Markets America Inc.	2.939%	6/4/51	925	661
Home Depot Inc.	4.400%	3/15/45	780	746	BP Capital Markets America Inc.	3.001%	3/17/52	1,530	1,105
Home Depot Inc.	4.250%	4/1/46	500	471	BP Capital Markets America Inc.	3.379%	2/8/61	370	274
Home Depot Inc.	4.500%	12/6/48	345	337	BP Capital Markets plc	2.500%	11/6/22	500	500
Home Depot Inc.	3.125%	12/15/49	75	58	<sup>6</sup> Coterra Energy Inc.	4.375%	6/1/24	927	926
Home Depot Inc.	2.375%	3/15/51	70	47	<sup>6</sup> Eastern Gas Transmission & Storage Inc.	3.000%	11/15/29	585	530
Home Depot Inc.	2.750%	9/15/51	575	418					
Home Depot Inc.	3.625%	4/15/52	655	561					
<sup>6</sup> Hyundai Capital America	0.800%	4/3/23	2,415	2,357					
<sup>6</sup> Hyundai Capital America	0.875%	6/14/24	1,875	1,754					
<sup>6</sup> Hyundai Capital America	1.650%	9/17/26	1,060	936					



## Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
<sup>6</sup> Eastern Gas Transmission & Storage Inc.	4.800%	11/1/43	125	117	Banco Santander SA	1.849%	3/25/26	1,000	900
<sup>6</sup> Eastern Gas Transmission & Storage Inc.	4.600%	12/15/44	1,603	1,475	Banco Santander SA	2.749%	12/3/30	400	318
<sup>6</sup> EIG Pearl Holdings Sarl	3.545%	8/31/36	1,260	1,076	Banco Santander SA	2.958%	3/25/31	200	168
<sup>6</sup> EIG Pearl Holdings Sarl	4.387%	11/30/46	470	374	Bank of America Corp.	4.000%	1/22/25	875	871
Energy Transfer LP	5.250%	4/15/29	1,375	1,362	Bank of America Corp.	3.559%	4/23/27	2,450	2,350
Energy Transfer LP	5.350%	5/15/45	90	79	Bank of America Corp.	3.593%	7/21/28	1,025	967
Energy Transfer LP	5.300%	4/15/47	155	134	Bank of America Corp.	3.419%	12/20/28	512	477
Energy Transfer LP	5.400%	10/1/47	20	18	Bank of America Corp.	4.271%	7/23/29	4,780	4,597
Enterprise Products Operating LLC	5.100%	2/15/45	280	263	Bank of America Corp.	3.974%	2/7/30	1,895	1,780
Enterprise Products Operating LLC	4.250%	2/15/48	730	615	Bank of America Corp.	3.194%	7/23/30	1,055	944
Enterprise Products Operating LLC	3.700%	1/31/51	170	133	Bank of America Corp.	2.496%	2/13/31	1,495	1,265
Enterprise Products Operating LLC	3.300%	2/15/53	750	547	Bank of America Corp.	2.687%	4/22/32	955	802
Equinor ASA	2.450%	1/17/23	382	382	Bank of America Corp.	2.572%	10/20/32	490	404
Equinor ASA	2.650%	1/15/24	360	356	Bank of America Corp.	3.846%	3/8/37	1,700	1,472
Equinor ASA	3.700%	3/1/24	640	643	Bank of America Corp.	5.875%	2/7/42	260	281
Equinor ASA	3.250%	11/10/24	655	652	Bank of America Corp.	3.311%	4/22/42	870	683
Equinor ASA	2.875%	4/6/25	140	137	Bank of America Corp.	5.000%	1/21/44	1,000	977
Equinor ASA	3.125%	4/6/30	2,350	2,176	Bank of America Corp.	4.330%	3/15/50	2,235	2,009
Equinor ASA	2.375%	5/22/30	335	294	Bank of America Corp.	2.972%	7/21/52	1,225	873
Exxon Mobil Corp.	2.726%	3/1/23	320	320	Bank of New York Mellon Corp.	2.200%	8/16/23	460	455
Exxon Mobil Corp.	3.043%	3/1/26	225	221	Bank of New York Mellon Corp.	3.000%	2/24/25	720	706
Exxon Mobil Corp.	2.275%	8/16/26	1,070	1,016	<sup>7</sup> Bank of New York Mellon Corp., 3M USD LIBOR + 1.050%	2.289%	10/30/23	1,145	1,146
Exxon Mobil Corp.	2.440%	8/16/29	735	661	Bank of Nova Scotia	2.700%	8/3/26	1,825	1,723
Exxon Mobil Corp.	2.610%	10/15/30	1,055	948	Bank of Nova Scotia	1.950%	2/2/27	360	325
Exxon Mobil Corp.	4.114%	3/1/46	320	292	<sup>6</sup> Banque Federative du Credit Mutuel SA	1.604%	10/4/26	1,000	895
<sup>6</sup> Galaxy Pipeline Assets Bidco Ltd.	2.160%	3/31/34	1,393	1,184	Barclays plc	3.932%	5/7/25	1,565	1,541
<sup>6</sup> Galaxy Pipeline Assets Bidco Ltd.	2.940%	9/30/40	1,105	903	Barclays plc	2.852%	5/7/26	220	208
<sup>6</sup> Qatar Energy	2.250%	7/12/31	925	791	Barclays plc	2.279%	11/24/27	400	355
<sup>6</sup> Qatar Energy	3.125%	7/12/41	675	530	Barclays plc	2.667%	3/10/32	1,270	1,024
<sup>6</sup> Saudi Arabian Oil Co.	3.500%	4/16/29	630	601	Barclays plc	2.894%	11/24/32	1,300	1,046
<sup>6</sup> Schlumberger Holdings Corp.	3.900%	5/17/28	807	763	Barclays plc	3.330%	11/24/42	465	347
Schlumberger Investment SA	3.650%	12/1/23	1,120	1,124	<sup>7</sup> Barclays plc, 3M USD LIBOR + 1.380%	2.791%	5/16/24	1,005	1,004
Shell International Finance BV	4.125%	5/11/35	1,130	1,078	Berkshire Hathaway Finance Corp.	2.875%	3/15/32	300	269
Shell International Finance BV	5.500%	3/25/40	345	370	Berkshire Hathaway Inc.	3.125%	3/15/26	715	702
Shell International Finance BV	4.375%	5/11/45	2,500	2,327	BlackRock Inc.	2.100%	2/25/32	733	605
Shell International Finance BV	3.000%	11/26/51	2,255	1,682	<sup>6</sup> Blackstone Holdings Finance Co. LLC	2.550%	3/30/32	565	473
Suncor Energy Inc.	5.950%	12/1/34	500	524	BNP Paribas SA	3.250%	3/3/23	190	190
Total Capital International SA	2.700%	1/25/23	885	883	<sup>6</sup> BNP Paribas SA	3.800%	1/10/24	585	582
Total Capital International SA	3.750%	4/10/24	1,400	1,404	<sup>6</sup> BNP Paribas SA	3.375%	1/9/25	1,775	1,735
TransCanada PipeLines Ltd.	4.875%	1/15/26	1,255	1,275	<sup>6</sup> BNP Paribas SA	2.819%	11/19/25	1,335	1,277
TransCanada PipeLines Ltd.	4.100%	4/15/30	415	397	<sup>6</sup> BNP Paribas SA	1.323%	1/13/27	585	517
				<b>35,724</b>	<sup>6</sup> BNP Paribas SA	3.500%	11/16/27	2,050	1,920
<b>Financials (9.3%)</b>					<sup>6</sup> BNP Paribas SA	2.591%	1/20/28	885	797
AerCap Ireland Capital DAC / AerCap Global Aviation Trust	3.000%	10/29/28	480	404	<sup>6</sup> BNP Paribas SA	2.159%	9/15/29	910	762
AerCap Ireland Capital DAC / AerCap Global Aviation Trust	3.400%	10/29/33	325	256	<sup>6</sup> BNP Paribas SA	2.871%	4/19/32	845	702
<sup>6</sup> AIA Group Ltd.	3.600%	4/9/29	1,475	1,421	<sup>6</sup> BPCE SA	5.700%	10/22/23	270	274
<sup>6</sup> AIA Group Ltd.	3.375%	4/7/30	370	347	<sup>6</sup> BPCE SA	4.000%	4/15/24	775	773
American International Group Inc.	6.250%	5/1/36	245	276	<sup>6</sup> BPCE SA	5.150%	7/21/24	1,260	1,263
American International Group Inc.	4.800%	7/10/45	220	205	<sup>6</sup> BPCE SA	3.500%	10/23/27	1,780	1,651
American International Group Inc.	4.750%	4/1/48	640	599	<sup>6</sup> BPCE SA	2.700%	10/1/29	1,450	1,265
American International Group Inc.	4.375%	6/30/50	375	332	<sup>6</sup> Brighthouse Financial Global Funding	1.000%	4/12/24	65	61
Ameriprise Financial Inc.	4.500%	5/13/32	335	329	<sup>6</sup> Brighthouse Financial Global Funding	1.750%	1/13/25	505	470
Aon Corp. / Aon Global Holdings plc	2.850%	5/28/27	550	516	<sup>6</sup> Brighthouse Financial Global Funding	1.550%	5/24/26	525	466
<sup>6</sup> Athene Global Funding	1.000%	4/16/24	685	644	<sup>6</sup> Brighthouse Financial Global Funding	2.000%	6/28/28	520	450
<sup>6</sup> Athene Global Funding	1.985%	8/19/28	10	8	<sup>6</sup> Canadian Imperial Bank of Commerce	1.150%	7/8/26	1,005	912
<sup>6</sup> Athene Global Funding	2.717%	1/7/29	980	835	Capital One Financial Corp.	3.750%	4/24/24	1,305	1,300
<sup>6</sup> Australia & New Zealand Banking Group Ltd.	2.570%	11/25/35	685	549	Capital One Financial Corp.	3.200%	2/5/25	760	739
<sup>6</sup> Aviation Capital Group LLC	1.950%	9/20/26	415	353	Charles Schwab Corp.	0.750%	3/18/24	1,350	1,295
Banco Santander SA	3.125%	2/23/23	800	798	Charles Schwab Corp.	3.200%	3/2/27	545	527
Banco Santander SA	3.848%	4/12/23	400	400	Charles Schwab Corp.	2.000%	3/20/28	1,100	982

## Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)	
	2.900%	3/3/32	835	734		3.600%	5/25/23	1,600	1,605	
Charles Schwab Corp.	3.350%	5/15/24	555	554		0.976%	5/24/25	300	280	
Chubb INA Holdings Inc.	4.350%	11/3/45	800	754		1.589%	5/24/27	805	708	
Citigroup Inc.	0.981%	5/1/25	1,190	1,115		2.251%	11/22/27	2,165	1,929	
Citigroup Inc.	1.462%	6/9/27	1,325	1,171		4.041%	3/13/28	890	845	
Citigroup Inc.	3.070%	2/24/28	1,000	927		4.583%	6/19/29	1,675	1,613	
Citigroup Inc.	3.520%	10/27/28	1,975	1,843		2.206%	8/17/29	1,440	1,209	
Citigroup Inc.	6.625%	6/15/32	2,000	2,187		2.357%	8/18/31	1,625	1,319	
Citigroup Inc.	2.520%	11/3/32	745	604		2.804%	5/24/32	1,555	1,277	
Citigroup Inc.	3.878%	1/24/39	1,025	887		2.871%	11/22/32	2,125	1,741	
Citigroup Inc.	2.904%	11/3/42	560	408		6.500%	5/2/36	1,000	1,065	
<sup>6</sup> CNO Global Funding	1.650%	1/6/25	260	246		6.100%	1/14/42	375	415	
<sup>6</sup> CNO Global Funding	2.650%	1/6/29	370	323		5.250%	3/14/44	440	410	
Comerica Bank	2.500%	7/23/24	790	767	<sup>7</sup>	HSBC Holdings plc, 3M USD LIBOR + 1.000%	2.455%	5/18/24	730	725
<sup>6</sup> Commonwealth Bank of Australia	2.688%	3/11/31	2,285	1,863		HSBC USA Inc.	3.500%	6/23/24	620	616
<sup>6</sup> Commonwealth Bank of Australia	3.784%	3/14/32	200	176		Huntington National Bank	4.552%	5/17/28	320	319
<sup>6</sup> Cooperatieve Rabobank UA	1.106%	2/24/27	1,365	1,206		ING Groep NV	3.950%	3/29/27	2,695	2,599
<sup>6</sup> Corebridge Financial Inc.	3.900%	4/5/32	175	157		ING Groep NV	1.726%	4/1/27	500	447
<sup>6</sup> Corebridge Financial Inc.	4.350%	4/5/42	105	90		Intercontinental Exchange Inc.	4.350%	6/15/29	425	419
<sup>6</sup> Corebridge Financial Inc.	4.400%	4/5/52	315	263		Intercontinental Exchange Inc.	1.850%	9/15/32	180	141
<sup>6</sup> Credit Agricole SA	3.750%	4/24/23	1,160	1,160		Intercontinental Exchange Inc.	4.600%	3/15/33	1,140	1,133
<sup>6</sup> Credit Agricole SA	3.250%	10/4/24	2,390	2,330		Intercontinental Exchange Inc.	2.650%	9/15/40	170	124
<sup>6</sup> Credit Suisse AG	3.625%	9/9/24	250	245		Intercontinental Exchange Inc.	3.000%	6/15/50	1,010	737
<sup>6</sup> Credit Suisse Group AG	4.207%	6/12/24	340	336		Intercontinental Exchange Inc.	4.950%	6/15/52	2,135	2,101
<sup>6</sup> Credit Suisse Group AG	3.750%	3/26/25	3,470	3,364		Intercontinental Exchange Inc.	3.000%	9/15/60	850	574
<sup>6</sup> Credit Suisse Group AG	2.593%	9/11/25	520	490	<sup>6</sup>	JAB Holdings BV	2.200%	11/23/30	290	228
<sup>6</sup> Credit Suisse Group AG	1.305%	2/2/27	545	469	<sup>6</sup>	JAB Holdings BV	3.750%	5/28/51	500	346
<sup>6</sup> Credit Suisse Group AG	3.869%	1/12/29	305	275	<sup>6</sup>	JAB Holdings BV	4.500%	4/8/52	860	663
<sup>6</sup> Credit Suisse Group AG	3.091%	5/14/32	1,195	956	<sup>6</sup>	Jackson National Life Global Funding	1.750%	1/12/25	555	524
<sup>6,7</sup> Credit Suisse Group AG, 3M USD LIBOR + 1.240%	2.961%	6/12/24	690	691		JPMorgan Chase & Co.	3.375%	5/1/23	490	490
Credit Suisse Group Funding Guernsey Ltd.	3.800%	9/15/22	1,335	1,336		JPMorgan Chase & Co.	3.875%	2/1/24	800	805
<sup>6</sup> Danske Bank A/S	3.875%	9/12/23	1,220	1,215		JPMorgan Chase & Co.	3.900%	7/15/25	2,270	2,280
<sup>6</sup> Danske Bank A/S	5.375%	1/12/24	795	803		JPMorgan Chase & Co.	4.125%	12/15/26	765	759
<sup>6</sup> Danske Bank A/S	1.621%	9/11/26	855	765		JPMorgan Chase & Co.	4.250%	10/1/27	2,295	2,273
<sup>6</sup> Danske Bank A/S	1.549%	9/10/27	1,605	1,408		JPMorgan Chase & Co.	2.069%	6/1/29	740	636
<sup>6</sup> DNB Bank ASA	1.535%	5/25/27	960	857		JPMorgan Chase & Co.	4.452%	12/5/29	2,100	2,044
<sup>6</sup> DNB Bank ASA	1.605%	3/30/28	1,330	1,160		JPMorgan Chase & Co.	3.702%	5/6/30	2,525	2,351
<sup>6</sup> Equitable Financial Life Global Funding	1.400%	7/7/25	370	340		JPMorgan Chase & Co.	3.109%	4/22/41	835	648
<sup>6</sup> Equitable Financial Life Global Funding	1.300%	7/12/26	825	730		JPMorgan Chase & Co.	5.400%	1/6/42	750	769
<sup>6</sup> Equitable Financial Life Global Funding	1.700%	11/12/26	365	326		JPMorgan Chase & Co.	3.157%	4/22/42	560	435
<sup>6</sup> Equitable Financial Life Global Funding	1.400%	8/27/27	535	465	<sup>6</sup>	JPMorgan Chase & Co.	3.964%	11/15/48	6,150	5,242
<sup>6</sup> Equitable Financial Life Global Funding	1.800%	3/8/28	870	755	<sup>6</sup>	JPMorgan Chase & Co.	3.109%	4/22/51	845	623
Fifth Third Bancorp	2.550%	5/5/27	425	390		Liberty Mutual Group Inc.	4.250%	6/15/23	80	80
Fifth Third Bancorp	4.055%	4/25/28	325	317		Liberty Mutual Group Inc.	4.569%	2/1/29	280	275
Fifth Third Bancorp	4.337%	4/25/33	290	276		Liberty Mutual Group Inc.	5.500%	6/15/52	750	716
Fifth Third Bank NA	3.850%	3/15/26	830	813		Loews Corp.	2.625%	5/15/23	440	438
<sup>6</sup> Five Corners Funding Trust	4.419%	11/15/23	210	211	<sup>6</sup>	LSEGA Financing plc	1.375%	4/6/26	1,555	1,396
<sup>6</sup> GA Global Funding Trust	1.000%	4/8/24	750	707		LSEGA Financing plc	2.000%	4/6/28	630	552
Goldman Sachs Group Inc.	3.625%	1/22/23	1,980	1,991		LSEGA Financing plc	2.500%	4/6/31	1,110	952
Goldman Sachs Group Inc.	3.272%	9/29/25	1,205	1,172		Macquarie Group Ltd.	4.150%	3/27/24	1,375	1,376
Goldman Sachs Group Inc.	3.500%	11/16/26	2,000	1,922		Macquarie Group Ltd.	1.935%	4/14/28	1,245	1,078
Goldman Sachs Group Inc.	3.850%	1/26/27	740	716	<sup>6</sup>	Macquarie Group Ltd.	2.871%	1/14/33	1,740	1,422
Goldman Sachs Group Inc.	1.431%	3/9/27	2,190	1,947		Manufacturers & Traders Trust Co.	2.900%	2/6/25	685	671
Goldman Sachs Group Inc.	1.542%	9/10/27	1,165	1,023		Marsh & McLennan Cos. Inc.	4.375%	3/15/29	675	667
Goldman Sachs Group Inc.	3.691%	6/5/28	810	768		Marsh & McLennan Cos. Inc.	4.900%	3/15/49	305	302
Goldman Sachs Group Inc.	3.814%	4/23/29	3,065	2,890		Marsh & McLennan Cos. Inc.	2.900%	12/15/51	560	398
Goldman Sachs Group Inc.	4.223%	5/1/29	2,630	2,524		Massachusetts Mutual Life Insurance Co.	7.625%	11/15/23	1,500	1,543
Goldman Sachs Group Inc.	2.615%	4/22/32	3,130	2,597		Massachusetts Mutual Life Insurance Co.	3.200%	12/1/61	590	406
Goldman Sachs Group Inc.	2.383%	7/21/32	1,040	842		MetLife Inc.	3.600%	4/10/24	580	582
Goldman Sachs Group Inc.	2.650%	10/21/32	625	515		MetLife Inc.	4.125%	8/13/42	145	130
Goldman Sachs Group Inc.	3.102%	2/24/33	1,275	1,090	<sup>6</sup>	MetLife Inc.	4.875%	11/13/43	530	523
Goldman Sachs Group Inc.	6.750%	10/1/37	835	925		Metropolitan Life Global Funding I	3.450%	12/18/26	640	618
<sup>6</sup> Guardian Life Global Funding	1.250%	5/13/26	205	185	<sup>6</sup>	Metropolitan Life Global Funding I	4.400%	6/30/27	300	302

## Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
<sup>6</sup> Metropolitan Life Global Funding I	3.000%	9/19/27	1,165	1,097	<sup>6</sup> Temasek Financial I Ltd.	3.625%	8/1/28	1,025	1,030
<sup>6</sup> Metropolitan Life Global Funding I	2.400%	1/11/32	1,410	1,187	<sup>6</sup> Temasek Financial I Ltd.	2.375%	8/2/41	1,345	1,058
Mitsubishi UFJ Financial Group Inc.	2.623%	7/18/22	1,940	1,940	<sup>6</sup> Temasek Financial I Ltd.	2.250%	4/6/51	1,150	814
Morgan Stanley	3.700%	10/23/24	750	748	<sup>6</sup> Temasek Financial I Ltd.	2.500%	10/6/70	670	450
Morgan Stanley	2.720%	7/22/25	1,750	1,688	Truist Bank	3.300%	5/15/26	340	328
Morgan Stanley	2.630%	2/18/26	1,805	1,726	Truist Financial Corp.	3.700%	6/5/25	1,385	1,379
Morgan Stanley	3.125%	7/27/26	1,345	1,284	Truist Financial Corp.	1.950%	6/5/30	795	660
Morgan Stanley	6.250%	8/9/26	3,000	3,192	<sup>6</sup> UBS AG	1.250%	6/1/26	985	877
Morgan Stanley	3.625%	1/20/27	1,250	1,213	<sup>6</sup> UBS Group AG	1.494%	8/10/27	1,160	1,013
Morgan Stanley	3.772%	1/24/29	3,910	3,717	<sup>6</sup> UBS Group AG	3.126%	8/13/30	555	492
Morgan Stanley	2.699%	1/22/31	1,105	958	<sup>6</sup> UBS Group AG	2.095%	2/11/32	720	572
Morgan Stanley	2.239%	7/21/32	1,805	1,467	<sup>6</sup> UBS Group AG	2.746%	2/11/33	890	724
Morgan Stanley	2.511%	10/20/32	615	509	<sup>6</sup> UBS Group AG	3.179%	2/11/43	855	650
Morgan Stanley	2.943%	1/21/33	920	789	<sup>6</sup> UniCredit SpA	1.982%	6/3/27	1,015	878
Morgan Stanley	2.484%	9/16/36	1,475	1,134	<sup>6</sup> UniCredit SpA	3.127%	6/3/32	1,200	941
Morgan Stanley	5.297%	4/20/37	270	262	US Bancorp	3.700%	1/30/24	1,560	1,568
Morgan Stanley	4.300%	1/27/45	850	765	US Bancorp	2.677%	1/27/33	1,910	1,648
Nasdaq Inc.	3.950%	3/7/52	1,030	848	US Bancorp	2.491%	11/3/36	1,860	1,519
National Australia Bank Ltd.	3.905%	6/9/27	885	875	Wachovia Corp.	7.500%	4/15/35	1,000	1,188
National Australia Bank Ltd.	2.332%	8/21/30	2,140	1,721	Wells Fargo & Co.	4.480%	1/16/24	1,199	1,213
National Australia Bank Ltd.	2.990%	5/21/31	2,227	1,864	Wells Fargo & Co.	3.750%	1/24/24	1,560	1,563
National Australia Bank Ltd.	3.347%	1/12/37	705	593	Wells Fargo & Co.	3.000%	2/19/25	890	871
Nationwide Financial Services Inc.	3.900%	11/30/49	1,430	1,163	Wells Fargo & Co.	0.805%	5/19/25	430	403
Nationwide Mutual Insurance Co.	4.350%	4/30/50	1,520	1,269	Wells Fargo & Co.	3.550%	9/29/25	860	844
NatWest Group plc	1.642%	6/14/27	870	764	Wells Fargo & Co.	3.000%	4/22/26	1,045	995
NatWest Markets plc	0.800%	8/12/24	670	623	Wells Fargo & Co.	4.100%	6/3/26	340	334
NBK SPC Ltd.	1.625%	9/15/27	1,975	1,763	Wells Fargo & Co.	3.000%	10/23/26	170	161
New York Life Global Funding	2.900%	1/17/24	810	802	Wells Fargo & Co.	3.196%	6/17/27	1,705	1,616
New York Life Insurance Co.	5.875%	5/15/33	2,100	2,308	Wells Fargo & Co.	3.526%	3/24/28	1,230	1,167
New York Life Insurance Co.	3.750%	5/15/50	345	282	Wells Fargo & Co.	2.879%	10/30/30	435	383
New York Life Insurance Co.	4.450%	5/15/69	435	376	Wells Fargo & Co.	2.572%	2/11/31	2,235	1,922
Nordea Bank Abp	1.500%	9/30/26	1,900	1,689	Wells Fargo & Co.	3.350%	3/2/33	235	209
Northwestern Mutual Life Insurance Co.	3.850%	9/30/47	656	541	Wells Fargo & Co.	5.606%	1/15/44	2,276	2,291
Northwestern Mutual Life Insurance Co.	3.625%	9/30/59	270	202	Wells Fargo & Co.	4.900%	11/17/45	515	477
Pacific Life Global Funding II	1.375%	4/14/26	795	718	Wells Fargo & Co.	4.750%	12/7/46	2,070	1,887
Penske Truck Leasing Co. LP / PTL Finance Corp.	3.450%	7/1/24	465	456	Wells Fargo & Co.	4.611%	4/25/53	1,245	1,152
Penske Truck Leasing Co. LP / PTL Finance Corp.	2.700%	11/1/24	385	370					<b>281,634</b>
Penske Truck Leasing Co. LP / PTL Finance Corp.	3.950%	3/10/25	1,435	1,413	<b>Health Care (2.5%)</b>				
Penske Truck Leasing Co. LP / PTL Finance Corp.	4.450%	1/29/26	925	916	AbbVie Inc.	3.800%	3/15/25	575	571
PNC Bank NA	3.300%	10/30/24	460	456	AbbVie Inc.	3.200%	11/21/29	650	598
PNC Bank NA	2.950%	2/23/25	1,105	1,077	AbbVie Inc.	4.300%	5/14/36	100	94
PNC Bank NA	4.200%	11/1/25	255	255	AbbVie Inc.	4.050%	11/21/39	590	526
PNC Bank NA	3.100%	10/25/27	1,165	1,106	AdventHealth Obligated Group	2.795%	11/15/51	900	643
PNC Bank NA	3.250%	1/22/28	1,675	1,596	Advocate Health & Hospitals Corp.	2.211%	6/15/30	360	310
PNC Financial Services Group Inc.	3.900%	4/29/24	580	582	Advocate Health & Hospitals Corp.	3.008%	6/15/50	540	407
PNC Financial Services Group Inc.	2.550%	1/22/30	1,625	1,413	Aetna Inc.	2.800%	6/15/23	680	672
Principal Life Global Funding II	2.500%	9/16/29	1,000	873	<sup>6</sup> Alcon Finance Corp.	2.750%	9/23/26	200	187
Protective Life Global Funding	4.714%	7/6/27	750	756	<sup>6</sup> Alcon Finance Corp.	2.600%	5/27/30	200	170
Prudential plc	3.125%	4/14/30	645	591	<sup>6</sup> Alcon Finance Corp.	3.800%	9/23/49	800	633
RGA Global Funding	2.700%	1/18/29	425	375	AmerisourceBergen Corp.	0.737%	3/15/23	568	557
Santander Holdings USA Inc.	3.400%	1/18/23	605	604	Anthem Inc.	3.300%	1/15/23	1,100	1,100
Standard Chartered plc	1.214%	3/23/25	285	269	Anthem Inc.	3.650%	12/1/27	750	730
Sumitomo Mitsui Trust Bank Ltd.	0.850%	3/25/24	2,000	1,897	Anthem Inc.	4.101%	3/1/28	1,140	1,128
Svenska Handelsbanken AB	1.418%	6/11/27	1,875	1,672	Anthem Inc.	2.550%	3/15/31	1,100	951
Teachers Insurance & Annuity Assn. of America	4.900%	9/15/44	875	851	Anthem Inc.	4.650%	8/15/44	92	87
Teachers Insurance & Annuity Assn. of America	4.270%	5/15/47	1,145	1,016	Ascension Health	2.532%	11/15/29	1,405	1,265
Temasek Financial I Ltd.	2.375%	1/23/23	1,130	1,126	<sup>3</sup> Ascension Health	4.847%	11/15/53	50	53
					AstraZeneca plc	4.000%	1/17/29	2,345	2,337
					AstraZeneca plc	6.450%	9/15/37	615	738
					Banner Health	2.907%	1/1/42	910	708
					Baxter International Inc.	2.272%	12/1/28	800	700
					Bayer US Finance II LLC	4.250%	12/15/25	1,100	1,086
					Bayer US Finance LLC	3.375%	10/8/24	815	797
					Beth Israel Lahey Health Inc.	3.080%	7/1/51	405	295
					<sup>3</sup> Bon Secours Mercy Health Inc.	3.464%	6/1/30	590	550
					Bon Secours Mercy Health Inc.	2.095%	6/1/31	330	272
					Bristol-Myers Squibb Co.	2.750%	2/15/23	138	138

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
Bristol-Myers Squibb Co.	3.400%	7/26/29	274	265					
Bristol-Myers Squibb Co.	2.950%	3/15/32	115	106					
Bristol-Myers Squibb Co.	4.125%	6/15/39	505	483					
Bristol-Myers Squibb Co.	3.550%	3/15/42	1,205	1,057					
Bristol-Myers Squibb Co.	4.550%	2/20/48	169	166					
Bristol-Myers Squibb Co.	4.250%	10/26/49	1,473	1,384					
Bristol-Myers Squibb Co.	2.550%	11/13/50	465	329					
Bristol-Myers Squibb Co.	3.700%	3/15/52	460	397					
Cedars-Sinai Health System	2.288%	8/15/31	1,330	1,132					
Children's Hospital Corp.	2.585%	2/1/50	160	111					
Cigna Corp.	3.250%	4/15/25	880	863					
Cigna Corp.	4.375%	10/15/28	515	510					
CommonSpirit Health	2.950%	11/1/22	535	535					
CommonSpirit Health	4.200%	8/1/23	535	540					
CommonSpirit Health	2.760%	10/1/24	860	837					
CommonSpirit Health	3.347%	10/1/29	1,015	935					
CommonSpirit Health	2.782%	10/1/30	684	584					
3 CommonSpirit Health	4.350%	11/1/42	651	584					
CommonSpirit Health	4.187%	10/1/49	1,747	1,469					
CommonSpirit Health	3.910%	10/1/50	115	92					
Cottage Health Obligated Group	3.304%	11/1/49	295	233					
6 CSL UK Holdings Ltd.	4.250%	4/27/32	660	645					
6 CSL UK Holdings Ltd.	4.750%	4/27/52	105	100					
CVS Health Corp.	2.750%	12/1/22	965	964					
CVS Health Corp.	4.300%	3/25/28	43	43					
CVS Health Corp.	1.750%	8/21/30	145	116					
CVS Health Corp.	4.875%	7/20/35	315	311					
CVS Health Corp.	4.125%	4/1/40	430	375					
CVS Health Corp.	5.125%	7/20/45	855	825					
Dignity Health	3.812%	11/1/24	560	554					
Gilead Sciences Inc.	3.700%	4/1/24	1,010	1,011					
Gilead Sciences Inc.	3.500%	2/1/25	560	554					
Gilead Sciences Inc.	4.500%	2/1/45	250	231					
Gilead Sciences Inc.	4.150%	3/1/47	430	379					
Gilead Sciences Inc.	2.800%	10/1/50	1,235	864					
GlaxoSmithKline Capital Inc.	2.800%	3/18/23	385	385					
GlaxoSmithKline Capital Inc.	5.375%	4/15/34	2,000	2,185					
6 HCA Inc.	3.625%	3/15/32	455	384					
6 HCA Inc.	4.375%	3/15/42	135	107					
6 HCA Inc.	4.625%	3/15/52	265	212					
Indiana University Health Inc. Obligated Group	2.852%	11/1/51	365	266					
Inova Health System Foundation	4.068%	5/15/52	475	435					
Kaiser Foundation Hospitals	3.150%	5/1/27	380	369					
Kaiser Foundation Hospitals	2.810%	6/1/41	1,130	865					
Kaiser Foundation Hospitals	4.875%	4/1/42	365	373					
Kaiser Foundation Hospitals	3.002%	6/1/51	1,105	826					
Mass General Brigham Inc.	3.192%	7/1/49	935	731					
Mass General Brigham Inc.	3.342%	7/1/60	955	711					
Memorial Sloan-Kettering Cancer Center	2.955%	1/1/50	590	446					
Memorial Sloan-Kettering Cancer Center	4.125%	7/1/52	310	288					
Memorial Sloan-Kettering Cancer Center	4.200%	7/1/55	280	256					
Merck & Co. Inc.	3.400%	3/7/29	1,470	1,423					
Merck & Co. Inc.	4.150%	5/18/43	760	721					
Merck & Co. Inc.	4.000%	3/7/49	1,915	1,769					
Mercy Health	4.302%	7/1/28	570	573					
Novartis Capital Corp.	3.400%	5/6/24	415	417					
Novartis Capital Corp.	4.400%	5/6/44	640	639					
OhioHealth Corp.	2.297%	11/15/31	760	651					
OhioHealth Corp.	2.834%	11/15/41	485	374					
Pfizer Inc.	3.000%	12/15/26	725	709					
Pfizer Inc.	3.450%	3/15/29	2,165	2,106					
Pfizer Inc.	4.100%	9/15/38	1,505	1,452					
Pfizer Inc.	2.550%	5/28/40	275	217					
Piedmont Healthcare Inc.	2.044%	1/1/32	255	209					
Piedmont Healthcare Inc.	2.719%	1/1/42	255	191					
Piedmont Healthcare Inc.	2.864%	1/1/52	340	242					
Providence St. Joseph Health Obligated Group	2.532%	10/1/29	985	872					
3 Providence St. Joseph Health Obligated Group	3.930%	10/1/48	325	285					
Providence St. Joseph Health Obligated Group	2.700%	10/1/51	1,000	669					
6 Roche Holdings Inc.	2.375%	1/28/27	1,650	1,556					
6 Roche Holdings Inc.	2.607%	12/13/51	305	223					
Royalty Pharma plc	2.200%	9/2/30	130	105					
Royalty Pharma plc	3.550%	9/2/50	1,405	981					
Rush Obligated Group	3.922%	11/15/29	330	317					
SSM Health Care Corp.	3.823%	6/1/27	940	936					
Sutter Health	2.294%	8/15/30	560	479					
Thermo Fisher Scientific Inc.	1.750%	10/15/28	260	227					
Thermo Fisher Scientific Inc.	2.000%	10/15/31	560	470					
Toledo Hospital	5.750%	11/15/38	545	557					
UnitedHealth Group Inc.	3.100%	3/15/26	430	421					
UnitedHealth Group Inc.	3.850%	6/15/28	1,190	1,184					
UnitedHealth Group Inc.	2.000%	5/15/30	275	236					
UnitedHealth Group Inc.	2.300%	5/15/31	435	377					
UnitedHealth Group Inc.	4.200%	5/15/32	335	335					
UnitedHealth Group Inc.	4.625%	7/15/35	240	244					
UnitedHealth Group Inc.	3.500%	8/15/39	215	187					
UnitedHealth Group Inc.	2.750%	5/15/40	310	241					
UnitedHealth Group Inc.	4.250%	3/15/43	1,600	1,505					
UnitedHealth Group Inc.	4.750%	7/15/45	592	597					
UnitedHealth Group Inc.	4.200%	1/15/47	215	201					
UnitedHealth Group Inc.	3.750%	10/15/47	145	126					
UnitedHealth Group Inc.	4.250%	6/15/48	880	823					
UnitedHealth Group Inc.	4.450%	12/15/48	140	134					
UnitedHealth Group Inc.	3.700%	8/15/49	675	577					
UnitedHealth Group Inc.	2.900%	5/15/50	2,293	1,704					
UnitedHealth Group Inc.	3.250%	5/15/51	295	232					
UnitedHealth Group Inc.	4.750%	5/15/52	245	245					
UnitedHealth Group Inc.	3.875%	8/15/59	615	531					
UnitedHealth Group Inc.	3.125%	5/15/60	490	359					
									<b>76,355</b>
					<b>Industrials (0.9%)</b>				
6 Ashted Capital Inc.	2.450%	8/12/31	495	379					
6 BAE Systems Holdings Inc.	3.850%	12/15/25	1,085	1,066					
6 BAE Systems plc	3.400%	4/15/30	215	197					
Boeing Co.	1.433%	2/4/24	940	899					
Boeing Co.	2.700%	2/1/27	495	441					
Boeing Co.	3.625%	2/1/31	720	623					
Burlington Northern Santa Fe LLC	3.000%	3/15/23	565	564					
Burlington Northern Santa Fe LLC	3.850%	9/1/23	1,630	1,639					
Burlington Northern Santa Fe LLC	4.550%	9/1/44	250	240					
Burlington Northern Santa Fe LLC	4.150%	4/1/45	415	378					
Burlington Northern Santa Fe LLC	4.050%	6/15/48	60	55					
Burlington Northern Santa Fe LLC	3.050%	2/15/51	405	311					
Burlington Northern Santa Fe LLC	2.875%	6/15/52	705	524					
Burlington Northern Santa Fe LLC	4.450%	1/15/53	145	140					
Canadian National Railway Co.	2.450%	5/1/50	205	138					
Canadian Pacific Railway Co.	2.450%	12/2/31	260	223					
Canadian Pacific Railway Co.	3.100%	12/2/51	770	567					
Carrier Global Corp.	2.722%	2/15/30	448	387					
Caterpillar Inc.	3.400%	5/15/24	810	813					
CSX Corp.	4.300%	3/1/48	445	408					
CSX Corp.	3.350%	9/15/49	235	183					
6 Daimler Trucks Finance North America LLC	3.650%	4/7/27	445	426					

## Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
Illinois Tool Works Inc.	3.500%	3/1/24	1,295	1,299					
John Deere Capital Corp.	3.450%	3/13/25	1,200	1,202					
Kansas City Southern	4.950%	8/15/45	480	463					
Lockheed Martin Corp.	1.850%	6/15/30	60	51					
Lockheed Martin Corp.	4.500%	5/15/36	211	211					
Lockheed Martin Corp.	4.700%	5/15/46	376	380					
Lockheed Martin Corp.	4.090%	9/15/52	144	134					
Otis Worldwide Corp.	2.565%	2/15/30	225	195					
Parker-Hannifin Corp.	3.250%	6/14/29	270	247					
Parker-Hannifin Corp.	4.450%	11/21/44	450	402					
Raytheon Technologies Corp.	4.125%	11/16/28	1,125	1,111					
Raytheon Technologies Corp.	4.450%	11/16/38	275	265					
<sup>6</sup> Siemens									
Financieringsmaatschappij NV	3.125%	3/16/24	1,680	1,669					
<sup>6</sup> Siemens									
Financieringsmaatschappij NV	1.700%	3/11/28	630	553					
<sup>6</sup> Siemens									
Financieringsmaatschappij NV	2.150%	3/11/31	1,100	932					
<sup>6</sup> Siemens									
Financieringsmaatschappij NV	4.400%	5/27/45	800	761					
<sup>3</sup> Southwest Airlines Co. Series 2007-1 Pass Through Trust	6.150%	2/1/24	41	41					
Stanley Black & Decker Inc.	4.850%	11/15/48	685	682					
Teledyne Technologies Inc.	2.250%	4/1/28	1,155	1,001					
Teledyne Technologies Inc.	2.750%	4/1/31	1,290	1,079					
Union Pacific Corp.	3.700%	3/1/29	505	491					
Union Pacific Corp.	2.800%	2/14/32	120	107					
Union Pacific Corp.	3.375%	2/14/42	530	442					
Union Pacific Corp.	3.250%	2/5/50	200	157					
Union Pacific Corp.	3.799%	10/1/51	1,096	941					
Union Pacific Corp.	3.500%	2/14/53	1,025	838					
Union Pacific Corp.	3.839%	3/20/60	860	719					
Union Pacific Corp.	2.973%	9/16/62	625	432					
Union Pacific Corp.	3.750%	2/5/70	335	267					
<sup>3</sup> United Airlines Class B Series 2018-1 Pass Through Trust	4.600%	9/1/27	146	130					
				<b>27,803</b>					
<b>Materials (0.0%)</b>									
<sup>6</sup> Corp. Nacional del Cobre de Chile	3.700%	1/30/50	600	448					
<b>Real Estate (0.5%)</b>									
American Tower Corp.	5.000%	2/15/24	80	81					
American Tower Corp.	4.400%	2/15/26	450	448					
American Tower Corp.	3.800%	8/15/29	981	901					
Boston Properties LP	3.125%	9/1/23	355	352					
Boston Properties LP	3.800%	2/1/24	45	45					
Crown Castle International Corp.	3.650%	9/1/27	285	270					
Crown Castle International Corp.	3.800%	2/15/28	235	222					
Crown Castle International Corp.	2.100%	4/1/31	2,185	1,735					
CubeSmart LP	2.250%	12/15/28	360	307					
Healthpeak Properties Inc.	2.125%	12/1/28	880	760					
Healthpeak Properties Inc.	3.000%	1/15/30	930	820					
Realty Income Corp.	3.400%	1/15/28	210	198					
Realty Income Corp.	2.200%	6/15/28	735	647					
Realty Income Corp.	3.250%	1/15/31	380	346					
Realty Income Corp.	2.850%	12/15/32	545	467					
<sup>6</sup> SBA Tower Trust	1.840%	4/15/27	1,570	1,401					
<sup>6</sup> SBA Tower Trust	2.593%	10/15/31	1,500	1,292					
<sup>6</sup> SBA Tower Trust	3.448%	3/15/48	705	698					
<sup>6</sup> SBA Tower Trust	2.836%	1/15/50	725	702					
<sup>6</sup> SBA Tower Trust	1.884%	7/15/50	265	245					
<sup>6</sup> SBA Tower Trust	1.631%	5/15/51	1,060	947					
<sup>6</sup> Scentre Group Trust 1 / Scentre Group Trust 2	4.375%	5/28/30	695	670					
Simon Property Group LP	3.750%	2/1/24	90	90					
Simon Property Group LP	3.375%	10/1/24	275	272					
Simon Property Group LP	2.450%	9/13/29	1,160	985					
				<b>14,901</b>					
<b>Technology (1.7%)</b>									
Apple Inc.	3.000%	2/9/24	620	619					
Apple Inc.	3.450%	5/6/24	1,000	1,005					
Apple Inc.	2.850%	5/11/24	1,225	1,218					
Apple Inc.	3.250%	2/23/26	1,020	1,013					
Apple Inc.	2.450%	8/4/26	1,170	1,123					
Apple Inc.	3.350%	2/9/27	1,545	1,535					
Apple Inc.	3.200%	5/11/27	1,065	1,049					
Apple Inc.	2.900%	9/12/27	2,250	2,171					
Apple Inc.	3.850%	5/4/43	430	396					
Apple Inc.	4.450%	5/6/44	120	120					
Apple Inc.	3.850%	8/4/46	985	903					
Apple Inc.	2.650%	5/11/50	640	473					
Apple Inc.	2.550%	8/20/60	1,425	979					
Broadcom Corp. / Broadcom Cayman Finance Ltd.	3.875%	1/15/27	305	294					
Broadcom Inc.	4.110%	9/15/28	1,452	1,379					
Broadcom Inc.	4.150%	11/15/30	130	119					
<sup>6</sup> Broadcom Inc.	2.600%	2/15/33	125	96					
<sup>6</sup> Broadcom Inc.	3.419%	4/15/33	305	252					
<sup>6</sup> Broadcom Inc.	3.500%	2/15/41	670	505					
<sup>6</sup> Broadcom Inc.	3.750%	2/15/51	325	240					
Cisco Systems Inc.	2.500%	9/20/26	431	414					
Intel Corp.	2.875%	5/11/24	800	797					
Intel Corp.	2.000%	8/12/31	105	88					
Intel Corp.	4.100%	5/19/46	1,360	1,239					
Intel Corp.	3.250%	11/15/49	600	468					
Intel Corp.	3.050%	8/12/51	1,610	1,199					
Intel Corp.	3.200%	8/12/61	425	310					
International Business Machines Corp.	3.000%	5/15/24	2,500	2,481					
International Business Machines Corp.	3.300%	5/15/26	4,500	4,396					
International Business Machines Corp.	3.500%	5/15/29	2,975	2,817					
International Business Machines Corp.	5.875%	11/29/32	1,010	1,109					
Microsoft Corp.	2.700%	2/12/25	760	754					
Microsoft Corp.	3.125%	11/3/25	435	435					
Microsoft Corp.	2.400%	8/8/26	1,890	1,822					
Microsoft Corp.	3.500%	2/12/35	605	581					
Microsoft Corp.	3.450%	8/8/36	822	776					
Microsoft Corp.	2.525%	6/1/50	3,336	2,456					
Microsoft Corp.	2.921%	3/17/52	3,287	2,595					
Oracle Corp.	2.950%	11/15/24	2,190	2,124					
Oracle Corp.	1.650%	3/25/26	895	802					
Oracle Corp.	3.250%	11/15/27	2,710	2,497					
Oracle Corp.	4.000%	11/15/47	895	665					
Oracle Corp.	3.850%	4/1/60	540	373					
QUALCOMM Inc.	1.300%	5/20/28	744	644					
QUALCOMM Inc.	2.150%	5/20/30	1,075	943					
QUALCOMM Inc.	1.650%	5/20/32	1,112	899					
QUALCOMM Inc.	4.250%	5/20/32	250	254					
QUALCOMM Inc.	4.500%	5/20/52	575	569					
<sup>6</sup> S&P Global Inc.	2.700%	3/1/29	345	314					
<sup>6</sup> S&P Global Inc.	2.900%	3/1/32	185	165					
<sup>6</sup> S&P Global Inc.	3.700%	3/1/52	400	342					
Workday Inc.	3.700%	4/1/29	190	178					
Workday Inc.	3.800%	4/1/32	685	626					
									<b>51,621</b>
<b>Utilities (3.0%)</b>									
AEP Texas Inc.	4.150%	5/1/49	145	124					
AEP Texas Inc.	3.450%	1/15/50	380	293					
AEP Transmission Co. LLC	4.500%	6/15/52	265	254					
Alabama Power Co.	5.200%	6/1/41	120	120					
Alabama Power Co.	4.100%	1/15/42	215	186					
Alabama Power Co.	3.750%	3/1/45	630	521					
Alabama Power Co.	4.300%	7/15/48	775	699					
Ameren Illinois Co.	3.800%	5/15/28	590	580					

## Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)	
Ameren Illinois Co.	6.125%	12/15/28	1,000	1,044	<sup>3</sup>	Duke Energy Progress NC Storm Funding LLC	2.387%	7/1/39	1,010	930
Ameren Illinois Co.	3.700%	12/1/47	140	120	<sup>6</sup>	East Ohio Gas Co.	2.000%	6/15/30	325	270
American Water Capital Corp.	2.950%	9/1/27	540	507	<sup>6</sup>	East Ohio Gas Co.	3.000%	6/15/50	475	344
American Water Capital Corp.	4.450%	6/1/32	590	586		Eastern Energy Gas Holdings LLC	3.550%	11/1/23	470	469
American Water Capital Corp.	3.750%	9/1/47	45	38	<sup>6</sup>	Electricite de France SA	4.875%	9/21/38	2,200	1,954
American Water Capital Corp.	4.200%	9/1/48	845	757	<sup>6</sup>	Electricite de France SA	4.875%	1/22/44	50	43
American Water Capital Corp.	4.150%	6/1/49	25	22	<sup>6</sup>	Electricite de France SA	4.950%	10/13/45	400	335
American Water Capital Corp.	3.450%	5/1/50	95	76	<sup>6</sup>	Emera US Finance LP	3.550%	6/15/26	965	924
Arizona Public Service Co.	3.350%	5/15/50	410	301	<sup>6</sup>	Enel Finance International NV	5.000%	6/15/32	980	947
Baltimore Gas and Electric Co.	2.900%	6/15/50	238	175	<sup>6</sup>	Enel Finance International NV	5.500%	6/15/52	990	944
Baltimore Gas and Electric Co.	4.550%	6/1/52	75	73		Energy Louisiana LLC	3.120%	9/1/27	410	390
Berkshire Hathaway Energy Co.	6.125%	4/1/36	1,135	1,252		Energy Inc.	2.450%	9/15/24	425	409
Berkshire Hathaway Energy Co.	5.950%	5/15/37	25	27		Energy Kansas Central Inc.	3.250%	9/1/49	630	488
Berkshire Hathaway Energy Co.	5.150%	11/15/43	1,490	1,504		Energy Metro Inc.	2.250%	6/1/30	205	177
Berkshire Hathaway Energy Co.	4.250%	10/15/50	115	105		Energy Metro Inc.	4.200%	3/15/48	137	123
Berkshire Hathaway Energy Co.	4.600%	5/1/53	660	637		Eversource Energy	2.900%	10/1/24	690	674
<sup>6</sup> Boston Gas Co.	3.150%	8/1/27	140	130		Eversource Energy	3.150%	1/15/25	110	108
<sup>6</sup> Boston Gas Co.	3.757%	3/16/32	120	111		Eversource Energy	3.300%	1/15/28	400	377
<sup>6</sup> Brooklyn Union Gas Co.	3.407%	3/10/26	95	91		Eversource Energy	3.375%	3/1/32	70	63
<sup>6</sup> Brooklyn Union Gas Co.	4.273%	3/15/48	1,720	1,404	<sup>6</sup>	Exelon Corp.	3.350%	3/15/32	540	484
CenterPoint Energy Houston Electric LLC	4.250%	2/1/49	195	185		Florida Power & Light Co.	5.650%	2/1/35	1,000	1,080
CenterPoint Energy Resources Corp.	4.000%	4/1/28	1,369	1,338		Florida Power & Light Co.	4.950%	6/1/35	1,000	1,039
Cleco Corporate Holdings LLC	3.743%	5/1/26	185	179		Florida Power & Light Co.	5.950%	2/1/38	785	887
Cleco Corporate Holdings LLC	3.375%	9/15/29	405	361		Florida Power & Light Co.	5.690%	3/1/40	675	747
Cleco Securitization I LLC	4.646%	9/1/44	765	740		Florida Power & Light Co.	3.700%	12/1/47	480	423
Commonwealth Edison Co.	2.950%	8/15/27	645	615		Fortis Inc.	3.055%	10/4/26	1,195	1,122
Commonwealth Edison Co.	4.350%	11/15/45	375	346		Georgia Power Co.	4.700%	5/15/32	655	658
Commonwealth Edison Co.	3.650%	6/15/46	175	148		Georgia Power Co.	5.400%	6/1/40	205	201
Commonwealth Edison Co.	4.000%	3/1/48	480	432		Georgia Power Co.	4.750%	9/1/40	988	896
Commonwealth Edison Co.	3.850%	3/15/52	195	172		Georgia Power Co.	4.300%	3/15/42	1,076	936
Consolidated Edison Co. of New York Inc.	4.500%	12/1/45	980	901		Georgia Power Co.	3.700%	1/30/50	170	135
Consolidated Edison Co. of New York Inc.	3.850%	6/15/46	76	64		Georgia Power Co.	5.125%	5/15/52	710	708
Consolidated Edison Co. of New York Inc.	3.950%	4/1/50	50	44	<sup>6</sup>	Indiana Michigan Power Co.	4.250%	8/15/48	415	366
Consolidated Edison Co. of New York Inc.	3.200%	12/1/51	570	433	<sup>6</sup>	KeySpan Gas East Corp.	2.742%	8/15/26	670	632
Consolidated Edison Co. of New York Inc.	4.625%	12/1/54	1,835	1,692	<sup>6</sup>	Massachusetts Electric Co.	5.900%	11/15/39	585	616
Consolidated Edison Co. of New York Inc.	4.500%	5/15/58	630	565	<sup>6</sup>	Metropolitan Edison Co.	4.300%	1/15/29	249	245
<sup>6</sup> Delmarva Power & Light Co.	3.500%	11/15/23	305	306		MidAmerican Energy Co.	4.400%	10/15/44	15	14
Dominion Energy Inc.	2.450%	1/15/23	3,240	3,215		MidAmerican Energy Co.	4.250%	5/1/46	45	42
Dominion Energy Inc.	5.250%	8/1/33	1,000	1,032		MidAmerican Energy Co.	4.250%	7/15/49	315	293
Dominion Energy Inc.	4.600%	3/15/49	760	712		MidAmerican Energy Co.	3.150%	4/15/50	1,390	1,086
Dominion Energy South Carolina Inc.	6.625%	2/1/32	138	160	<sup>6</sup>	Mid-Atlantic Interstate Transmission LLC	4.100%	5/15/28	220	215
Dominion Energy South Carolina Inc.	5.300%	5/15/33	44	47	<sup>6</sup>	Monongahela Power Co.	5.400%	12/15/43	135	134
Dominion Energy South Carolina Inc.	5.450%	2/1/41	95	99		National Rural Utilities Cooperative Finance Corp.	2.950%	2/7/24	415	411
Dominion Energy South Carolina Inc.	4.600%	6/15/43	202	191		National Rural Utilities Cooperative Finance Corp.	2.850%	1/27/25	1,040	1,017
Duke Energy Carolinas LLC	6.100%	6/1/37	391	425		Nevada Power Co.	3.125%	8/1/50	380	282
Duke Energy Carolinas LLC	3.700%	12/1/47	470	399		NextEra Energy Capital Holdings Inc.	3.550%	5/1/27	880	850
Duke Energy Corp.	2.650%	9/1/26	315	296		NextEra Energy Capital Holdings Inc.	1.900%	6/15/28	670	583
Duke Energy Corp.	3.400%	6/15/29	350	320		NextEra Energy Capital Holdings Inc.	3.500%	4/1/29	390	364
Duke Energy Corp.	3.300%	6/15/41	945	732		NextEra Energy Capital Holdings Inc.	2.750%	11/1/29	590	521
Duke Energy Corp.	4.800%	12/15/45	1,200	1,095		NextEra Energy Capital Holdings Inc.	2.250%	6/1/30	1,185	996
Duke Energy Corp.	3.750%	9/1/46	265	209	<sup>6</sup>	NextEra Energy Capital Holdings Inc.	5.000%	7/15/32	135	138
Duke Energy Corp.	3.500%	6/15/51	990	747	<sup>6</sup>	Niagara Mohawk Power Corp.	4.278%	12/15/28	1,000	984
Duke Energy Florida LLC	6.350%	9/15/37	200	229	<sup>6</sup>	Niagara Mohawk Power Corp.	3.025%	6/27/50	540	372
Duke Energy Progress LLC	6.300%	4/1/38	365	417		NiSource Inc.	5.250%	2/15/43	390	378
Duke Energy Progress LLC	4.100%	3/15/43	118	106		NiSource Inc.	4.800%	2/15/44	255	230
Duke Energy Progress LLC	4.200%	8/15/45	2,045	1,847		NiSource Inc.	5.000%	6/15/52	420	407
Duke Energy Progress LLC	2.500%	8/15/50	70	48		Northern States Power Co.	2.250%	4/1/31	145	127
						Northern States Power Co.	6.250%	6/1/36	2,000	2,300
						Northern States Power Co.	4.500%	6/1/52	110	108

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
<sup>3,6</sup> Oglethorpe Power Corp.	6.191%	1/1/31	1,065	1,108
Oglethorpe Power Corp.	5.950%	11/1/39	170	179
Oglethorpe Power Corp.	4.550%	6/1/44	50	44
Oglethorpe Power Corp.	4.250%	4/1/46	537	437
<sup>6</sup> Oglethorpe Power Corp.	4.500%	4/1/47	115	99
Oglethorpe Power Corp.	5.050%	10/1/48	65	61
Oglethorpe Power Corp.	5.250%	9/1/50	630	597
<sup>6</sup> Oncor Electric Delivery Co. LLC	4.150%	6/1/32	150	151
Oncor Electric Delivery Co. LLC	4.550%	12/1/41	75	73
Oncor Electric Delivery Co. LLC	2.700%	11/15/51	355	257
<sup>6</sup> Oncor Electric Delivery Co. LLC	4.600%	6/1/52	670	663
PacifiCorp	6.250%	10/15/37	2,000	2,241
PacifiCorp	4.125%	1/15/49	26	23
PacifiCorp	4.150%	2/15/50	345	309
PacifiCorp	3.300%	3/15/51	169	133
PECO Energy Co.	4.600%	5/15/52	280	281
<sup>3</sup> PG&E Energy Recovery Funding LLC	2.280%	1/15/38	109	92
<sup>3</sup> PG&E Energy Recovery Funding LLC	2.822%	7/15/48	494	391
Piedmont Natural Gas Co Inc.	5.050%	5/15/52	260	255
Potomac Electric Power Co.	6.500%	11/15/37	750	871
San Diego Gas & Electric Co.	6.000%	6/1/26	600	643
San Diego Gas & Electric Co.	1.700%	10/1/30	145	119
San Diego Gas & Electric Co.	3.750%	6/1/47	160	135
San Diego Gas & Electric Co.	4.150%	5/15/48	545	502
San Diego Gas & Electric Co.	2.950%	8/15/51	21	16
San Diego Gas & Electric Co.	3.700%	3/15/52	790	668
<sup>3</sup> SCE Recovery Funding LLC	0.861%	11/15/31	283	248
SCE Recovery Funding LLC	1.942%	5/15/38	110	84
SCE Recovery Funding LLC	2.510%	11/15/43	100	86
Sempra Energy	3.250%	6/15/27	1,095	1,038
Sempra Energy	6.000%	10/15/39	600	632
Sierra Pacific Power Co.	3.375%	8/15/23	850	850
Sierra Pacific Power Co.	2.600%	5/1/26	221	210
Southern California Edison Co.	3.700%	8/1/25	90	89
Southern California Edison Co.	6.000%	1/15/34	1,000	1,066
Southern California Edison Co.	5.550%	1/15/37	2,250	2,255
Southern California Edison Co.	6.050%	3/15/39	55	58
Southern California Edison Co.	4.000%	4/1/47	195	158
Southern California Edison Co.	4.125%	3/1/48	645	532
Southern California Edison Co.	3.650%	2/1/50	155	119
Southern California Gas Co.	2.600%	6/15/26	820	777
Southern Co.	2.950%	7/1/23	1,280	1,265
Southern Co.	4.400%	7/1/46	755	658
Southwest Gas Corp.	2.200%	6/15/30	230	186
Southwestern Electric Power Co.	6.200%	3/15/40	400	432
Southwestern Public Service Co.	3.700%	8/15/47	102	85
Texas Electric Market Stabilization Funding N LLC	4.966%	2/1/44	1,120	1,115
Texas Electric Market Stabilization Funding N LLC	5.057%	8/1/48	535	533
Texas Electric Market Stabilization Funding N LLC	5.167%	2/1/52	500	500
Union Electric Co.	4.000%	4/1/48	423	371
Union Electric Co.	3.900%	4/1/52	245	217
Virginia Electric and Power Co.	2.750%	3/15/23	690	685
Virginia Electric and Power Co.	3.500%	3/15/27	435	425
Wisconsin Electric Power Co.	5.700%	12/1/36	690	749
			<b>91,351</b>	

**Total Corporate Bonds (Cost \$745,023) 676,609**

**Sovereign Bonds (0.4%)**

<sup>5</sup> Emirate of Abu Dhabi	4.951%	7/7/52	390	393
<sup>6</sup> Government of Bermuda	2.375%	8/20/30	400	335
<sup>6</sup> Government of Bermuda	3.375%	8/20/50	200	145
International Bank for Reconstruction & Development	4.750%	2/15/35	2,000	2,266

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
<sup>6</sup> Kingdom of Saudi Arabia	2.875%	3/4/23	930	928
Republic of Chile	2.550%	1/27/32	540	459
Republic of Chile	2.550%	7/27/33	1,085	886
Republic of Chile	3.500%	1/31/34	545	485
Republic of Chile	3.500%	4/15/53	575	435
Republic of Chile	3.100%	1/22/61	410	277
Republic of Colombia	4.000%	2/26/24	970	942
Republic of Panama	2.252%	9/29/32	980	766
<sup>3</sup> Republic of Panama	3.870%	7/23/60	885	629
<sup>6</sup> State of Qatar	3.875%	4/23/23	1,985	1,992
<sup>6</sup> State of Qatar	4.400%	4/16/50	430	410
United Mexican States	4.400%	2/12/52	890	667

**Total Sovereign Bonds (Cost \$13,317) 12,015**

**Taxable Municipal Bonds (1.8%)**

Alabama Federal Aid Highway Finance Authority Government Fund/Grant Revenue	2.650%	9/1/37	160	129
Bay Area Toll Authority Highway Revenue	2.574%	4/1/31	450	411
Bay Area Toll Authority Highway Revenue	6.263%	4/1/49	60	77
Bay Area Toll Authority Highway Revenue	7.043%	4/1/50	820	1,127
Broward FL Airport System Port, Airport & Marina Revenue	3.477%	10/1/43	300	253
California GO	7.500%	4/1/34	155	199
California GO	7.350%	11/1/39	1,550	2,019
California Health Facilities Financing Authority Intergovernmental Agreement Revenue	4.190%	6/1/37	175	167
California Health Facilities Financing Authority Intergovernmental Agreement Revenue	4.353%	6/1/41	580	543
California State University College & University Revenue	2.719%	11/1/52	350	260
California State University College & University Revenue	2.939%	11/1/52	445	340
Chicago O'Hare International Airport Port, Airport & Marina Revenue	6.395%	1/1/40	155	191
Chicago Transit Authority Sales & Transfer Tax Receipts Sales Tax Revenue	6.899%	12/1/40	1,780	2,135
Chicago Transit Authority Sales & Transfer Tax Receipts Sales Tax Revenue	6.899%	12/1/40	825	989
Chicago Transit Authority Sales Tax Receipts Fund Sales Tax Revenue	6.200%	12/1/40	550	632
Commonwealth of Massachusetts GO	2.514%	7/1/41	270	209
Dallas Fort Worth International Airport Port, Airport & Marina Revenue	2.843%	11/1/46	515	400
Dallas Fort Worth International Airport Port, Airport & Marina Revenue	4.087%	11/1/51	75	73
Dallas Fort Worth International Airport Port, Airport & Marina Revenue	4.507%	11/1/51	535	520
Dallas-Fort Worth International Airport Port, Airport & Marina Revenue	3.089%	11/1/40	220	183
Florida State Board of Administration Finance Corp. Miscellaneous Revenue	1.705%	7/1/27	925	837
Foothill-Eastern Transportation Corridor Agency Highway Revenue	4.094%	1/15/49	155	135

Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)		Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)	
<sup>8</sup> Foothill-Eastern Transportation Corridor Agency Highway Revenue	3.924%	1/15/53	1,170	1,019		North Texas Tollway Authority Highway Revenue	6.718%	1/1/49	465	626
Georgia Municipal Electric Authority Electric Power & Light Revenue	6.637%	4/1/57	2,031	2,384		Oregon Department of Transportation Fuel Sales Tax Revenue	5.834%	11/15/34	655	747
Golden State Tobacco Securitization Corp. Tobacco Settlement Funded Revenue	2.746%	6/1/34	70	60	<sup>8</sup>	Oregon School Boards Assn. GO	5.528%	6/30/28	2,000	2,102
Golden State Tobacco Securitization Corp. Tobacco Settlement Funded Revenue	3.293%	6/1/42	130	105	<sup>9</sup>	Oregon State University College & University Revenue	3.424%	3/1/60	1,000	813
Golden State Tobacco Securitization Corp. Tobacco Settlement Funded Revenue	3.000%	6/1/46	290	255	<sup>10</sup>	Philadelphia Authority for Industrial Development Miscellaneous Revenue	6.550%	10/15/28	1,945	2,210
Grand Parkway Transportation Corp. Highway Revenue	5.184%	10/1/42	140	154		Port Authority of New York & New Jersey Port, Airport & Marina Revenue	5.859%	12/1/24	65	69
Grand Parkway Transportation Corp. Texas System Highway Revenue	3.236%	10/1/52	930	745		Port Authority of New York & New Jersey Port, Airport & Marina Revenue	3.175%	7/15/60	485	363
Great Lakes Water Authority Sewage Disposal System Sewer Revenue	3.056%	7/1/39	250	211		Port Authority of New York & New Jersey Port, Airport & Marina Revenue	4.458%	10/1/62	1,175	1,143
Houston TX GO	6.290%	3/1/32	340	380		Port Authority of New York & New Jersey Port, Airport & Marina Revenue	4.810%	10/15/65	640	661
Illinois GO	5.100%	6/1/33	4,340	4,366		Regents of the University of California Medical Center Pooled Health, Hospital, Nursing Home Revenue	4.132%	5/15/32	465	460
Illinois State Toll Highway Authority Highway Revenue	6.184%	1/1/34	750	864		Riverside CA General Fund Revenue	3.857%	6/1/45	260	232
JobsOhio Beverage System Miscellaneous Revenue	2.833%	1/1/38	160	133		Riverside County CA Appropriations Revenue	3.818%	2/15/38	290	275
<sup>9</sup> Kansas Development Finance Authority Appropriations Revenue	2.774%	5/1/51	390	300		Rutgers State University of New Jersey College & University Revenue	3.270%	5/1/43	350	293
<sup>8</sup> Kansas Development Finance Authority Lease (Appropriation) Revenue	5.501%	5/1/34	2,000	2,176		Sales Tax Securitization Corp. Illinois Sales Tax Revenue	4.787%	1/1/48	1,240	1,261
Maryland State Transportation Authority Transit Revenue	5.888%	7/1/43	545	626		Sales Tax Securitization Corp. Intergovernmental Agreement Revenue	3.238%	1/1/42	1,000	842
Massachusetts School Building Authority Sales Tax Revenue	1.753%	8/15/30	890	766		San Antonio TX Electric & Gas Systems Electric Power & Light Revenue	2.905%	2/1/48	255	199
Massachusetts School Building Authority Sales Tax Revenue	5.715%	8/15/39	1,000	1,120		Texas Transportation Commission GO	2.562%	4/1/42	235	190
Massachusetts School Building Authority Sales Tax Revenue	3.395%	10/15/40	500	422		Texas Transportation Commission State Highway Fund Miscellaneous Revenue	4.000%	10/1/33	395	392
Massachusetts School Building Authority Sales Tax Revenue	2.950%	5/15/43	650	499		University of California College & University Revenue	1.316%	5/15/27	385	345
Massachusetts Water Resources Authority Water Revenue	2.823%	8/1/41	710	585		University of California College & University Revenue	1.614%	5/15/30	645	541
Metropolitan Transportation Authority Fuel Sales Tax Revenue	6.089%	11/15/40	445	517		University of California College & University Revenue	4.601%	5/15/31	590	607
Metropolitan Transportation Authority Miscellaneous Taxes Revenue	7.336%	11/15/39	325	436		University of California College & University Revenue	4.765%	5/15/44	145	146
Metropolitan Transportation Authority Transit Revenue	6.200%	11/15/26	60	63		University of California College & University Revenue	3.931%	5/15/45	570	535
Metropolitan Transportation Authority Transit Revenue	6.814%	11/15/40	785	949		University of California Regents Medical Center Pooled Health, Hospital, Nursing Home Revenue	6.548%	5/15/48	80	99
Metropolitan Transportation Authority Transit Revenue	5.175%	11/15/49	910	939		University of California Regents Medical Center Pooled Health, Hospital, Nursing Home Revenue	6.583%	5/15/49	695	863
Michigan Finance Authority Health, Hospital, Nursing Home Revenue	3.084%	12/1/34	295	265		University of California Regents Medical Center Pooled Health, Hospital, Nursing Home Revenue	3.006%	5/15/50	450	340
New Jersey Turnpike Authority Highway Revenue	7.414%	1/1/40	410	544		University of California Regents Medical Center Pooled Health, Hospital, Nursing Home Revenue	4.563%	5/15/53	1,350	1,326
New York State Dormitory Authority Income Tax Revenue	3.110%	2/15/39	640	548						
New York State Dormitory Authority Income Tax Revenue	3.190%	2/15/43	355	291						
New York State Thruway Authority Highway Revenue	2.900%	1/1/35	490	429						
New York State Thruway Authority Highway Revenue	3.500%	1/1/42	275	234						
North Texas Tollway Authority Highway Revenue	3.011%	1/1/43	295	238						



## Balanced Portfolio

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
University of California Regents Medical Center Pooled Health, Hospital, Nursing Home Revenue	3.256%	5/15/60	780	580
University of Michigan College & University Revenue	3.504%	4/1/52	210	186
University of Minnesota College & University Revenue	4.048%	4/1/52	840	825
Utility Debt Securitization Authority Electric Power & Light Revenue	3.435%	12/15/25	108	108
<b>Total Taxable Municipal Bonds (Cost \$57,031)</b>				<b>53,831</b>

		Shares	
<b>Temporary Cash Investments (1.9%)</b>			
<b>Money Market Fund (0.0%)</b>			
<sup>11</sup> Vanguard Market Liquidity Fund	1.417%	117	12

	Coupon	Maturity Date	Face Amount (\$000)	Market Value* (\$000)
<b>Repurchase Agreement (1.9%)</b>				
NatWest Markets plc (Dated 6/30/22, Repurchase Value \$58,402,000, collateralized by U.S. Treasury Note/Bond 1.625%–7.625%, 8/15/22–11/15/50, with a value of \$59,568,000)	1.480%	7/1/22	58,400	58,400
<b>Total Temporary Cash Investments (Cost \$58,411)</b>				<b>58,412</b>
<b>Total Investments (101.0%) (Cost \$2,804,558)</b>				<b>3,071,558</b>
<b>Other Assets and Liabilities— Net (-1.0%)</b>				<b>(29,429)</b>
<b>Net Assets (100%)</b>				<b>3,042,129</b>

Cost is in \$000.

• See Note A in Notes to Financial Statements.

\* Non-income-producing security.

- Securities with a value of \$742,000 have been segregated as initial margin for open centrally cleared swap contracts.
- Securities with a value of \$320,000 have been segregated as initial margin for open futures contracts.
- The average or expected maturity is shorter than the final maturity shown because of the possibility of interim principal payments and prepayments or the possibility of the issue being called.
- The issuer was placed under federal conservatorship in September 2008; since that time, its daily operations have been managed by the Federal Housing Finance Agency and it receives capital from the U.S. Treasury, as needed to maintain a positive net worth, in exchange for senior preferred stock.
- Includes securities purchased on a when-issued or delayed-delivery basis for which the portfolio has not taken delivery as of June 30, 2022.
- Security exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At June 30, 2022, the aggregate value was \$191,861,000, representing 6.3% of net assets.
- Variable-rate security; rate shown is effective rate at period end. Certain variable-rate securities are not based on a published reference rate and spread but are determined by the issuer or agent based on current market conditions.
- Scheduled principal and interest payments are guaranteed by Assured Guaranty Municipal Corp.
- Scheduled principal and interest payments are guaranteed by Build America Mutual Assurance Co.
- Scheduled principal and interest payments are guaranteed by National Public Finance Guarantee Corp.
- Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.  
1M—1-month.  
3M—3-month.  
ADR—American Depositary Receipt.  
CLO—Collateralized Loan Obligation.  
GO—General Obligation Bond.  
LIBOR—London Interbank Offered Rate.  
REMICS—Real Estate Mortgage Investment Conduits.  
UMBS—Uniform Mortgage-Backed Securities.  
USD—U.S. dollar.

## Balanced Portfolio

## Derivative Financial Instruments Outstanding as of Period End

## Futures Contracts

					(\$000)
	Expiration	Number of Long (Short) Contracts	Notional Amount	Value and Unrealized Appreciation (Depreciation)	
<b>Long Futures Contracts</b>					
Ultra 10-Year U.S. Treasury Note	September 2022	1	127	—	
5-Year U.S. Treasury Note	September 2022	226	25,369	(169)	
				(169)	
<b>Short Futures Contracts</b>					
10-Year U.S. Treasury Note	September 2022	(46)	(9,661)	58	
				(111)	

## Centrally Cleared Credit Default Swaps

Reference Entity	Termination Date	Notional Amount (000)	Periodic Premium Received (Paid) <sup>1</sup> (%)	Value (\$000)	Unrealized Appreciation (Depreciation) (\$000)
<b>Credit Protection Sold</b>					
CDX-NA-IG-S38-V1	6/21/27	USD 23,640	1.000	(3)	(218)

<sup>1</sup> Periodic premium received/paid quarterly.

USD—U.S. dollar.

The notional amount represents the maximum potential amount the fund could be required to pay as a seller of credit protection if the reference entity was subject to a credit event.

## Statement of Assets and Liabilities

As of June 30, 2022

(\$000s, except shares and per-share amounts)	Amount
<b>Assets</b>	
Investments in Securities, at Value	
Unaffiliated Issuers (Cost \$2,804,547)	3,071,546
Affiliated Issuers (Cost \$11)	12
Total Investments in Securities	3,071,558
Investment in Vanguard	117
Cash	69
Foreign Currency, at Value (Cost \$222)	218
Receivables for Accrued Income	11,487
Receivables for Capital Shares Issued	179
Variation Margin Receivable—Futures Contracts	110
Variation Margin Receivable—Centrally Cleared Swap Contracts	4
<b>Total Assets</b>	<b>3,083,742</b>
<b>Liabilities</b>	
Payables for Investment Securities Purchased	36,405
Payables to Investment Advisor	389
Payables for Capital Shares Redeemed	4,621
Payables to Vanguard	198
<b>Total Liabilities</b>	<b>41,613</b>
<b>Net Assets</b>	<b>3,042,129</b>

At June 30, 2022, net assets consisted of:

Paid-in Capital	2,650,204
Total Distributable Earnings (Loss)	391,925
<b>Net Assets</b>	<b>3,042,129</b>

### Net Assets

Applicable to 143,031,374 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	3,042,129
<b>Net Asset Value Per Share</b>	<b>\$21.27</b>

## Statement of Operations

	Six Months Ended June 30, 2022
	(\$000)
<b>Investment Income</b>	
<b>Income</b>	
Dividends <sup>1</sup>	19,838
Interest	16,237
Securities Lending—Net	—
Total Income	36,075
<b>Expenses</b>	
Investment Advisory Fees—Note B	
Basic Fee	851
Performance Adjustment	(102)
The Vanguard Group—Note C	
Management and Administrative	2,516
Marketing and Distribution	103
Custodian Fees	15
Shareholders' Reports	43
Trustees' Fees and Expenses	1
Other Expenses	5
Total Expenses	3,432
Expenses Paid Indirectly	(1)
Net Expenses	3,431
<b>Net Investment Income</b>	<b>32,644</b>
<b>Realized Net Gain (Loss)</b>	
Investment Securities Sold <sup>2</sup>	100,218
Futures Contracts	(2,529)
Swap Contracts	110
Forward Currency Contracts	(12)
Foreign Currencies	48
<b>Realized Net Gain (Loss)</b>	<b>97,835</b>
<b>Change in Unrealized Appreciation (Depreciation)</b>	
Investment Securities <sup>2</sup>	(729,210)
Futures Contracts	(244)
Swap Contracts	(218)
Foreign Currencies	(90)
<b>Change in Unrealized Appreciation (Depreciation)</b>	<b>(729,762)</b>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>(599,283)</b>

<sup>1</sup> Dividends are net of foreign withholding taxes of \$681,000.

<sup>2</sup> Realized net gain (loss), and change in unrealized appreciation (depreciation) from an affiliated company of the portfolio were \$0, and \$1,000, respectively. Purchases and sales are for temporary cash investment purposes.

## Statement of Changes in Net Assets

	Six Months Ended June 30, 2022	Year Ended December 31, 2021
	(\$000)	(\$000)
<b>Increase (Decrease) in Net Assets</b>		
<b>Operations</b>		
Net Investment Income	32,644	62,487
Realized Net Gain (Loss)	97,835	311,922
Change in Unrealized Appreciation (Depreciation)	(729,762)	242,651
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>(599,283)</b>	<b>617,060</b>
<b>Distributions</b>		
Total Distributions	(375,204)	(240,358)
<b>Capital Share Transactions</b>		
Issued	110,531	255,089
Issued in Lieu of Cash Distributions	375,204	240,358
Redeemed	(256,500)	(431,072)
<b>Net Increase (Decrease) from Capital Share Transactions</b>	<b>229,235</b>	<b>64,375</b>
<b>Total Increase (Decrease)</b>	<b>(745,252)</b>	<b>441,077</b>
<b>Net Assets</b>		
<b>Beginning of Period</b>	<b>3,787,381</b>	<b>3,346,304</b>
<b>End of Period</b>	<b>3,042,129</b>	<b>3,787,381</b>

## Financial Highlights

For a Share Outstanding Throughout Each Period	Six Months Ended June 30,			Year Ended December 31,		
	2022	2021	2020	2019	2018	2017
<b>Net Asset Value, Beginning of Period</b>	<b>\$28.41</b>	<b>\$25.68</b>	<b>\$24.94</b>	<b>\$22.20</b>	<b>\$24.80</b>	<b>\$23.03</b>
<b>Investment Operations</b>						
Net Investment Income <sup>1</sup>	.236	.468	.526	.623	.626	.582
Net Realized and Unrealized Gain (Loss) on Investments	(4.491)	4.137	1.692	4.105	(1.414)	2.648
Total from Investment Operations	(4.255)	4.605	2.218	4.728	(.788)	3.230
<b>Distributions</b>						
Dividends from Net Investment Income	(.480)	(.497)	(.666)	(.660)	(.582)	(.567)
Distributions from Realized Capital Gains	(2.405)	(1.378)	(.812)	(1.328)	(1.230)	(.893)
Total Distributions	(2.885)	(1.875)	(1.478)	(1.988)	(1.812)	(1.460)
<b>Net Asset Value, End of Period</b>	<b>\$21.27</b>	<b>\$28.41</b>	<b>\$25.68</b>	<b>\$24.94</b>	<b>\$22.20</b>	<b>\$24.80</b>
<b>Total Return</b>	<b>-16.08%</b>	<b>19.02%</b>	<b>10.68%</b>	<b>22.48%</b>	<b>-3.41%</b>	<b>14.72%</b>
<b>Ratios/Supplemental Data</b>						
Net Assets, End of Period (Millions)	\$3,042	\$3,787	\$3,346	\$3,267	\$2,708	\$2,942
Ratio of Total Expenses to Average Net Assets <sup>2</sup>	0.21% <sup>3</sup>	0.20%	0.20%	0.21%	0.21%	0.23%
Ratio of Net Investment Income to Average Net Assets	1.90%	1.76%	2.24%	2.68%	2.67%	2.49%
Portfolio Turnover Rate <sup>4</sup>	18%	33%	49%	29%	36%	28%

The expense ratio and net investment income ratio for the current period have been annualized.

1 Calculated based on average shares outstanding.

2 Includes performance-based investment advisory fee increases (decreases) of (0.01%), (0.01%), (0.01%), (0.00%), (0.00%), and (0.00%).

3 The ratio of expenses to average net assets for the period net of reduction from broker commission abatement arrangements was 0.21%.

4 Includes 2%, 1%, 3%, 8%, 2%, and 0%, respectively, attributable to mortgage-dollar-roll activity.

## Notes to Financial Statements

The Balanced Portfolio, a portfolio of Vanguard Variable Insurance Funds, is registered under the Investment Company Act of 1940 as an open-end investment company. The portfolio's shares are only available for purchase by separate accounts of insurance companies as investments for variable annuity plans, variable life insurance contracts, or other variable benefit insurance contracts. Certain of the portfolio's investments are in corporate debt instruments; the issuers' abilities to meet their obligations may be affected by economic developments in their respective industries. Significant market disruptions, such as those caused by pandemics (e.g., COVID-19 pandemic), natural or environmental disasters, war (e.g., Russia's invasion of Ukraine), acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the portfolio's investments and portfolio performance.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The portfolio consistently follows such policies in preparing its financial statements.

1. **Security Valuation:** Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Bonds and temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services. Structured debt securities, including mortgages and asset-backed securities, are valued using the latest bid prices or using valuations based on a matrix system that considers such factors as issuer, tranche, nominal or option-adjusted spreads, weighted average coupon, weighted average maturity, credit enhancements, and collateral, as furnished by independent pricing services. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Securities for which market quotations are not readily available, or whose values have been affected by events occurring before the portfolio's pricing time but after the close of the securities' primary markets, are valued at their fair values calculated according to procedures adopted by the board of trustees. These procedures include obtaining quotations from an independent pricing service, monitoring news to identify significant market- or security-specific events, and evaluating changes in the values of foreign market proxies (for example, ADRs, futures contracts, or exchange-traded funds), between the time the foreign markets close and the portfolio's pricing time. When fair-value pricing is employed, the prices of securities used by a portfolio to calculate its net asset value may differ from quoted or published prices for the same securities.

2. **Foreign Currency:** Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates obtained from an independent third party as of the portfolio's pricing time on the valuation date. Realized gains (losses) and unrealized appreciation (depreciation) on investment securities include the effects of changes in exchange rates since the securities were purchased, combined with the effects of changes in security prices. Fluctuations in the value of other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains (losses) until the assets or liabilities are settled in cash, at which time they are recorded as realized foreign currency gains (losses).

3. **To Be Announced (TBA) Transactions:** A TBA transaction is an agreement to buy or sell mortgage-backed securities with agreed-upon characteristics (face amount, coupon, maturity) for settlement at a future date. The portfolio may be a seller of TBA transactions to reduce its exposure to the mortgage-backed securities market or in order to sell mortgage-backed securities it owns under delayed-delivery arrangements. When the portfolio is a buyer of TBA transactions, it maintains cash or short-term investments in an amount sufficient to meet the purchase price at the settlement date of the TBA transaction. The primary risk associated with TBA transactions is that a counterparty may default on its obligations. The portfolio mitigates its counterparty risk by, among other things, performing a credit analysis of counterparties, allocating transactions among numerous counterparties, and monitoring its exposure to each counterparty. The portfolio may also enter into a Master Securities Forward Transaction Agreement (MSFTA) with certain counterparties and require them to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the portfolio cannot be repledged, resold, or rehypothecated. Under an MSFTA, upon a counterparty default (including bankruptcy), the portfolio may terminate any TBA transactions with that counterparty, determine the net amount owed by either party in accordance with its MSFTA, and sell or retain any collateral held up to the net amount owed to the portfolio under the MSFTA.

4. Mortgage Dollar Rolls: The portfolio enters into mortgage-dollar-roll transactions, in which the portfolio sells mortgage-backed securities to a dealer and simultaneously agrees to purchase similar securities in the future at a predetermined price. The proceeds of the securities sold in mortgage-dollar-roll transactions are typically invested in high-quality short-term fixed income securities. The portfolio forgoes principal and interest paid on the securities sold, and is compensated by interest earned on the proceeds of the sale and by a lower price on the securities to be repurchased. The portfolio also enters into mortgage-dollar-roll transactions in which the portfolio buys mortgage-backed securities from a dealer pursuant to a TBA transaction and simultaneously agrees to sell similar securities in the future at a predetermined price. The securities bought in mortgage-dollar-roll transactions are used to cover an open TBA sell position. The portfolio continues to earn interest on mortgage-backed security pools already held and receives a lower price on the securities to be sold in the future. The portfolio accounts for mortgage-dollar-roll transactions as purchases and sales; as such, these transactions may increase the portfolio's portfolio turnover rate. Amounts to be received or paid in connection with open mortgage dollar rolls are included in Receivables for Investment Securities Sold or Payables for Investment Securities Purchased in the Statement of Assets and Liabilities.

5. Repurchase Agreements: The portfolio enters into repurchase agreements with institutional counterparties. Securities pledged as collateral to the portfolio under repurchase agreements are held by a custodian bank until the agreements mature, and in the absence of a default, such collateral cannot be repledged, resold, or rehypothecated. Each agreement requires that the market value of the collateral be sufficient to cover payments of interest and principal. The portfolio further mitigates its counterparty risk by entering into repurchase agreements only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master repurchase agreements with its counterparties. The master repurchase agreements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate any repurchase agreements with that counterparty, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the portfolio. Such action may be subject to legal proceedings, which may delay or limit the disposition of collateral.

6. Futures Contracts: The portfolio uses futures contracts to invest in fixed income asset classes with greater efficiency and lower cost than is possible through direct investment, to add value when these instruments are attractively priced, or to adjust sensitivity to changes in interest rates. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of bonds held by the portfolio and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the portfolio trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the portfolio's performance and requires daily settlement of variation margin representing changes in the market value of each contract. Any securities pledged as initial margin for open contracts are noted in the Schedule of Investments.

Futures contracts are valued at their quoted daily settlement prices. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures contracts.

During the six months ended June 30, 2022, the portfolio's average investments in long and short futures contracts represented 1% and less than 1% of net assets, respectively, based on the average of the notional amounts at each quarter-end during the period.

7. Forward Currency Contracts: The portfolio enters into forward currency contracts to protect the value of securities and related receivables and payables against changes in future foreign exchange rates. The portfolio's risks in using these contracts include movement in the values of the foreign currencies relative to the U.S. dollar and the ability of the counterparties to fulfill their obligations under the contracts. The portfolio mitigates its counterparty risk by entering into forward currency contracts only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the portfolio cannot be repledged, resold, or rehypothecated. The master netting arrangements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate the forward currency contracts, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the portfolio under the master netting arrangements. The forward currency contracts contain provisions whereby a counterparty may terminate open contracts if the portfolio's

net assets decline below a certain level, triggering a payment by the portfolio if the portfolio is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the portfolio has pledged. Any securities pledged as collateral for open contracts are noted in the Schedule of Investments. The value of collateral received or pledged is compared daily to the value of the forward currency contracts exposure with each counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

Forward currency contracts are valued at their quoted daily prices obtained from an independent third party, adjusted for currency risk based on the expiration date of each contract. The notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on forward currency contracts.

During the six months ended June 30, 2022, the portfolio's average investment in forward currency contracts represented 0% of net assets, based on the average of the notional amounts at each quarter-end during the period. The portfolio had no open forward currency contracts at June 30, 2022.

8. Swap Contracts: The portfolio invests in credit default swaps to adjust the overall credit risk of the portfolio or to actively overweight or underweight credit risk to a specific issuer or group of issuers. The portfolio may sell credit protection through credit default swaps to simulate investments in long positions that are either unavailable or considered to be less attractively priced in the bond market. The portfolio may purchase credit protection through credit default swaps to reduce credit exposure to a given issuer or issuers. Under the terms of the swaps, an up-front payment may be exchanged between the seller and buyer. In addition, the seller of the credit protection receives a periodic payment of premium from the buyer that is a fixed percentage applied to a notional amount. If, for example, the reference entity is subject to a credit event (such as bankruptcy, failure to pay, or obligation acceleration) during the term of the swap, the seller agrees to either physically settle or cash settle the swap contract. If the swap is physically settled, the seller agrees to pay the buyer an amount equal to the notional amount and take delivery of a debt instrument of the reference issuer with a par amount equal to such notional amount. If the swap is cash settled, the seller agrees to pay the buyer the difference between the notional amount and the final price for the relevant debt instrument, as determined either in a market auction or pursuant to a pre-agreed-upon valuation procedure.

The portfolio enters into centrally cleared credit default swaps to achieve the same objectives specified with respect to the equivalent over-the-counter swaps but with less counterparty risk because a regulated clearinghouse is the counterparty instead of the clearing broker or executing broker. The clearinghouse imposes initial margin requirements to secure the portfolio's performance, and requires daily settlement of variation margin representing changes in the market value of each contract. To further mitigate counterparty risk, the portfolio trades with a diverse group of prequalified executing brokers; monitors the financial strength of its clearing brokers, executing brokers, and clearinghouse; and has entered into agreements with its clearing brokers and executing brokers.

The primary risk associated with selling credit protection is that, upon the occurrence of a defined credit event, the market value of the debt instrument received by the portfolio (or, in a cash settled swap, the debt instruments used to determine the settlement payment by the portfolio) will be significantly less than the amount paid by the portfolio and, in a physically settled swap, the portfolio may receive an illiquid debt instrument. A risk associated with all types of swaps is the possibility that a counterparty may default on its obligation to pay net amounts due to the portfolio. The portfolio's maximum amount subject to counterparty risk is the unrealized appreciation on the swap contract. The portfolio mitigates its counterparty risk by entering into swaps only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the portfolio cannot be repledged, resold, or rehypothecated. In the event of a counterparty's default (including bankruptcy), the portfolio may terminate any swap contracts with that counterparty, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the portfolio under the master netting arrangements. The swap contracts contain provisions whereby a counterparty may terminate open contracts if the portfolio's net assets decline below a certain level, triggering a payment by the portfolio if the portfolio is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the portfolio has pledged. Any securities pledged as collateral for open contracts are noted in the Schedule of Investments. The value of collateral received or pledged is compared daily to the value of the swap contracts exposure with each



counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

The notional amounts of swap contracts are not recorded in the Statement of Assets and Liabilities. Swaps are valued daily based on market quotations received from independent pricing services or recognized dealers and the change in value is recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the seller of credit protection is required to take delivery (or, in a cash settled swap, pay the settlement amount determined) upon occurrence of a credit event, periodic payments are made, or the swap terminates, at which time realized gain (loss) is recorded. The net premium to be received or paid by the portfolio under swap contracts is accrued daily and recorded as realized gain (loss) over the life of the contract.

During the six months ended June 30, 2022, the portfolio's average amounts of investments in credit protection sold and credit protection purchased represented less than 1% of net assets, based on the average of the notional amounts at each quarter-end during the period.

9. Federal Income Taxes: The portfolio intends to continue to qualify as a regulated investment company and distribute all of its taxable income. The portfolio's tax returns are open to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return. Management has analyzed the portfolio's tax positions taken for all open federal and state income tax years, and has concluded that no provision for income tax is required in the portfolio's financial statements.

10. Distributions: Distributions to shareholders are recorded on the ex-dividend date. Distributions are determined on a tax basis at the fiscal year-end and may differ from net investment income and realized capital gains for financial reporting purposes.

11. Securities Lending: To earn additional income, the portfolio lends its securities to qualified institutional borrowers. Security loans are subject to termination by the portfolio at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled on the next business day. The portfolio further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the portfolio may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the portfolio; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the event of a default, the portfolio may experience delays and costs in recovering the securities loaned. The portfolio invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Assets and Liabilities for the return of the collateral, during the period the securities are on loan. Collateral investments in Vanguard Market Liquidity Fund are subject to market appreciation or depreciation. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the portfolio is entitled to all distributions made on or in respect of the loaned securities.

12. Credit Facilities and Interfund Lending Program: The portfolio and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$4.4 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement and an uncommitted credit facility provided by Vanguard. Both facilities may be renewed annually. Each fund is individually liable for its borrowings, if any, under the credit facilities. Borrowings may be utilized for temporary or emergency purposes and are subject to the portfolio's regulatory and contractual borrowing restrictions. With respect to the committed credit facility, the participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn committed amount of the facility, which are allocated to the funds based on a method approved by the portfolio's board of trustees and included in Management and Administrative expenses on the portfolio's Statement of Operations. Any borrowings under either facility bear interest at an agreed-upon spread plus the higher of the federal funds effective rate, the overnight bank funding rate, or the Daily Simple Secured Overnight Financing Rate inclusive of an additional agreed-upon spread. However, borrowings under the uncommitted credit facility may bear interest based upon an alternate rate agreed to by the portfolio and Vanguard.

In accordance with an exemptive order (the "Order") from the SEC, the portfolio may participate in a joint lending and borrowing program that allows registered open-end Vanguard funds to borrow

money from and lend money to each other for temporary or emergency purposes (the “Interfund Lending Program”), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the portfolio’s investment objective and investment policies. Interfund loans and borrowings normally extend overnight but can have a maximum duration of seven days. Loans may be called on one business day’s notice. The interest rate to be charged is governed by the conditions of the Order and internal procedures adopted by the board of trustees. The board of trustees is responsible for overseeing the Interfund Lending Program.

For the six months ended June 30, 2022, the portfolio did not utilize the credit facilities or the Interfund Lending Program.

13. Other: Dividend income is recorded on the ex-dividend date. Non-cash dividends included in income, if any, are recorded at the fair value of the securities received. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities are amortized and accreted, respectively, to interest income over the lives of the respective securities, except for premiums on certain callable debt securities that are amortized to the earliest call date. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

Taxes on foreign dividends and capital gains have been provided for in accordance with the portfolio’s understanding of the applicable countries’ tax rules and rates. Deferred foreign capital gains tax, if any, is accrued daily based upon net unrealized gains. The portfolio has filed tax reclaims for previously withheld taxes on dividends earned in certain European Union countries. These filings are subject to various administrative and judicial proceedings within these countries. Such tax reclaims received and related professional fees incurred during the year, if any, are included in dividend income and other expenses, respectively. No other amounts for additional tax reclaims are reflected in the financial statements due to the uncertainty as to the ultimate resolution of proceedings, the likelihood of receipt of these reclaims, and the potential timing of payment.

B. Wellington Management Company LLP provides investment advisory services to the portfolio for a fee calculated at an annual percentage rate of average net assets. The basic fee is subject to quarterly adjustments based on the portfolio’s performance relative to the combined index comprising the S&P 500 Index and the Bloomberg Barclays U.S. Credit A or Better Bond Index for the preceding three years. For the six months ended June 30, 2022, the investment advisory fee represented an effective annual basic rate of 0.05% of the portfolio’s average net assets, before a net decrease of \$102,000 (0.01%) based on performance.

C. In accordance with the terms of a Funds’ Service Agreement (the “FSA”) between Vanguard and the portfolio, Vanguard furnishes to the portfolio corporate management, administrative, marketing, and distribution services at Vanguard’s cost of operations (as defined by the FSA). These costs of operations are allocated to the portfolio based on methods and guidelines approved by the board of trustees and are generally settled twice a month.

Upon the request of Vanguard, the portfolio may invest up to 0.40% of its net assets as capital in Vanguard. At June 30, 2022, the portfolio had contributed to Vanguard capital in the amount of \$117,000, representing less than 0.01% of the portfolio’s net assets and 0.05% of Vanguard’s capital received pursuant to the FSA. The portfolio’s trustees and officers are also directors and employees, respectively, of Vanguard.

D. The portfolio has asked its investment advisors to direct certain security trades, subject to obtaining the best price and execution, to brokers who have agreed to rebate to the portfolio part of the commissions generated. Such rebates are used solely to reduce the portfolio’s management and administrative expenses. For the period ended June 30, 2022, these arrangements reduced the portfolio’s expenses by \$1,000 (an annual rate of less than 0.01% of average net assets).

E. Various inputs may be used to determine the value of the portfolio’s investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

**Level 1**—Quoted prices in active markets for identical securities.

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

**Level 3**—Significant unobservable inputs (including the portfolio’s own assumptions used to determine the fair value of investments). Any investments and derivatives valued with significant unobservable inputs are noted on the Schedule of Investments.

## Balanced Portfolio

The following table summarizes the market value of the portfolio's investments and derivatives as of June 30, 2022, based on the inputs used to value them:

	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
<b>Investments</b>				
<b>Assets</b>				
Common Stocks	1,791,710	185,991	—	1,977,701
U.S. Government and Agency Obligations	—	264,958	—	264,958
Asset-Backed/Commercial Mortgage-Backed Securities	—	28,032	—	28,032
Corporate Bonds	—	676,609	—	676,609
Sovereign Bonds	—	12,015	—	12,015
Taxable Municipal Bonds	—	53,831	—	53,831
Temporary Cash Investments	12	58,400	—	58,412
<b>Total</b>	<b>1,791,722</b>	<b>1,279,836</b>	<b>—</b>	<b>3,071,558</b>
<b>Derivative Financial Instruments</b>				
<b>Assets</b>				
Futures Contracts <sup>1</sup>	58	—	—	58
<b>Liabilities</b>				
Futures Contracts <sup>1</sup>	169	—	—	169
Swap Contracts	218	—	—	218
<b>Total</b>	<b>387</b>	<b>—</b>	<b>—</b>	<b>387</b>

<sup>1</sup> Includes cumulative appreciation (depreciation) on futures contracts and centrally cleared swaps, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statement of Assets and Liabilities.

F. At June 30, 2022, the fair values of derivatives were reflected in the Statement of Assets and Liabilities as follows:

Statement of Assets and Liabilities	Interest Rate Contracts (\$000)	Foreign Exchange Contracts (\$000)	Credit Contracts (\$000)	Total (\$000)
Unrealized Appreciation—Futures Contracts[CandidateRowToEvaluate] <sup>1</sup>	58	—	—	58
<b>Total Assets[CandidateRowToEvaluate]</b>	<b>58</b>	<b>—</b>	<b>—</b>	<b>58</b>
Unrealized Depreciation—Futures Contracts[CandidateRowToEvaluate] <sup>1</sup>	169	—	—	169
Unrealized Depreciation—Centrally Cleared Swap Contracts[CandidateRowToEvaluate] <sup>1</sup>	—	—	218	218
<b>Total Liabilities[CandidateRowToEvaluate]</b>	<b>169</b>	<b>—</b>	<b>218</b>	<b>387</b>

<sup>1</sup> Includes cumulative appreciation (depreciation) on futures contracts and centrally cleared swaps, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statement of Assets and Liabilities.

Realized net gain (loss) and the change in unrealized appreciation (depreciation) on derivatives for the six months ended June 30, 2022, were:

	Interest Rate Contracts (\$000)	Foreign Exchange Contracts (\$000)	Credit Contracts (\$000)	Total (\$000)
<b>Realized Net Gain (Loss) on Derivatives</b>				
Futures Contracts	(2,529)	—	—	(2,529)
Swap Contracts	—	—	110	110
Forward Currency Contracts	—	(12)	—	(12)
<b>Realized Net Gain (Loss) on Derivatives</b>	<b>(2,529)</b>	<b>(12)</b>	<b>110</b>	<b>(2,431)</b>
<b>Change in Unrealized Appreciation (Depreciation) on Derivatives</b>				
Futures Contracts	(244)	—	—	(244)
Swap Contracts	—	—	(218)	(218)
<b>Change in Unrealized Appreciation (Depreciation) on Derivatives</b>	<b>(244)</b>	<b>—</b>	<b>(218)</b>	<b>(462)</b>

Balanced Portfolio

G. As of June 30, 2022, gross unrealized appreciation and depreciation for investments and derivatives based on cost for U.S. federal income tax purposes were as follows:

	Amount (\$000)
Tax Cost	2,806,225
Gross Unrealized Appreciation	499,710
Gross Unrealized Depreciation	(234,706)
Net Unrealized Appreciation (Depreciation)	265,004

H. During the six months ended June 30, 2022, the portfolio purchased \$324,694,000 of investment securities and sold \$401,742,000 of investment securities, other than U.S. government securities and temporary cash investments. Purchases and sales of U.S. government securities were \$289,442,000 and \$299,218,000, respectively.

I. Capital shares issued and redeemed were:

	Six Months Ended June 30, 2022	Year Ended December 31, 2021
	Shares (000)	Shares (000)
Issued	4,471	9,605
Issued in Lieu of Cash Distributions	15,732	9,716
Redeemed	(10,463)	(16,345)
Net Increase (Decrease) in Shares Outstanding	9,740	2,976

J. At June 30, 2022, one shareholder (an insurance company separate account whose holdings in the portfolio represent the indirect investment of Vanguard Variable Annuity contract holders) was the record or beneficial owner of 68% of the portfolio's net assets. If this shareholder were to redeem its investment in the portfolio, the redemption might result in an increase in the portfolio's expense ratio, cause the portfolio to incur higher transaction costs, or lead to the realization of taxable capital gains.

K. Management has determined that no events or transactions occurred subsequent to June 30, 2022, that would require recognition or disclosure in these financial statements.

## Trustees Approve Advisory Arrangement

The board of trustees of Vanguard Variable Insurance Funds Balanced Portfolio has renewed the portfolio's investment advisory arrangement with Wellington Management Company LLP (Wellington Management). The board determined that renewing the portfolio's advisory arrangement was in the best interests of the portfolio and its shareholders.

The board based its decision upon an evaluation of the advisor's investment staff, portfolio management process, and performance. This evaluation included information provided to the board by Vanguard's Portfolio Review Department, which is responsible for fund and advisor oversight and product management. The Portfolio Review Department met regularly with the advisor and made monthly presentations to the board during the fiscal year that directed the board's focus to relevant information and topics.

The board, or an investment committee made up of board members, also received information throughout the year during advisor presentations. For each advisor presentation, the board was provided with letters and reports that included information about, among other things, the advisory firm and the advisor's assessment of the investment environment, portfolio performance, and portfolio characteristics.

In addition, the board received periodic reports throughout the year, which included information about the portfolio's performance relative to its peers and benchmark, as applicable, and updates, as needed, on the Portfolio Review Department's ongoing assessment of the advisor.

Prior to their meeting, the trustees were provided with a memo and materials that summarized the information they received over the course of the year. They also considered the factors discussed below, among others. However, no single factor determined whether the board approved the arrangement. Rather, it was the totality of the circumstances that drove the board's decision.

### **Nature, extent, and quality of services**

The board reviewed the quality of the portfolio's investment management services over both the short and long term; it also took into account the organizational depth and stability of the advisor. The board considered that Wellington Management, founded in 1928, is among the nation's oldest and most respected institutional investment managers. The portfolio managers leverage tenured teams of equity and fixed income research analysts who conduct detailed fundamental analysis of their respective industries and companies. In managing the equity portion of the portfolio, the advisor employs a bottom-up, fundamental research approach focusing on high-quality companies with above-average yields, strong balance sheets, sustainable competitive advantages, and attractive valuations. In managing the fixed income portion of the portfolio, the advisor focuses on investment-grade corporate bonds. The firm has advised the portfolio since its inception in 1991.

The board concluded that the advisor's experience, stability, depth, and performance, among other factors, warranted continuation of the advisory arrangement.

### **Investment performance**

The board considered the short- and long-term performance of the portfolio, including any periods of outperformance or underperformance compared with a relevant benchmark index and peer group. The board concluded that the performance was such that the advisory arrangement should continue.

### **Cost**

The board concluded that the portfolio's expense ratio was below the average expense ratio charged by funds in its peer group and that the portfolio's advisory fee rate was also below the peer-group average.

The board did not consider the profitability of Wellington Management in determining whether to approve the advisory fee, because Wellington Management is independent of Vanguard and the advisory fee is the result of arm's-length negotiations.

### **The benefit of economies of scale**

The board concluded that the portfolio's shareholders benefit from economies of scale because of breakpoints in the portfolio's advisory fee schedule. The breakpoints reduce the effective rate of the fee as the portfolio's assets increase.

The board will consider whether to renew the advisory arrangement again after a one-year period.

## Liquidity Risk Management

Vanguard funds (except for the money market funds) have adopted and implemented a written liquidity risk management program (the "Program") as required by Rule 22e-4 under the Investment Company Act of 1940. Rule 22e-4 requires that each fund adopt a program that is reasonably designed to assess and manage the fund's liquidity risk, which is the risk that the fund could not meet redemption requests without significant dilution of remaining investors' interests in the fund.

Assessment and management of a fund's liquidity risk under the Program take into consideration certain factors, such as the fund's investment strategy and the liquidity of its portfolio investments during normal and reasonably foreseeable stressed conditions, its short- and long-term cash-flow projections during both normal and reasonably foreseeable stressed conditions, and its cash and cash-equivalent holdings and access to other funding sources. As required by the rule, the Program includes policies and procedures for classification of fund portfolio holdings in four liquidity categories, maintaining certain levels of highly liquid investments, and limiting holdings of illiquid investments.

The board of trustees of Vanguard Variable Insurance Funds approved the appointment of liquidity risk management program administrators responsible for administering the Balanced Portfolio's Program and for carrying out the specific responsibilities set forth in the Program, including reporting to the board on at least an annual basis regarding the Program's operation, its adequacy, and the effectiveness of its implementation for the past year (the "Program Administrator Report"). The board has reviewed the Program Administrator Report covering the period from January 1, 2021, through December 31, 2021 (the "Review Period"). The Program Administrator Report stated that during the Review Period the Program operated and was implemented effectively to manage the portfolio's liquidity risk.

This page intentionally left blank.



**Connect with Vanguard®** > [vanguard.com](https://vanguard.com)

**Fund Information** > 800-662-7447

**Annuity and Insurance Services** > 800-522-5555

**Institutional Investor Services** > 800-523-1036

**Text Telephone for People Who Are Deaf or Hard of Hearing** > 800-749-7273

You can review information about your fund on the SEC's website, and you can receive copies of this information, for a fee, by sending a request via email addressed to [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

This material may be used in conjunction with the offering of shares of any Vanguard fund only if preceded or accompanied by the fund's current prospectus.

You can obtain a free copy of Vanguard's proxy voting guidelines by visiting [vanguard.com/proxyreporting](https://vanguard.com/proxyreporting) or by calling Vanguard at 800-662-2739. The guidelines are also available from the SEC's website, [www.sec.gov](https://www.sec.gov). In addition, you may obtain a free report on how your fund voted the proxies for securities it owned during the 12 months ended June 30. To get the report, visit either [vanguard.com/proxyreporting](https://vanguard.com/proxyreporting) or [www.sec.gov](https://www.sec.gov).