

# **Fidelity® Variable Insurance Products:**

## **Disciplined Small Cap Portfolio**

**Semi-Annual Report**  
**June 30, 2021**



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

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

Fidelity® Variable Insurance Products are separate account options which are purchased through a variable insurance contract.

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

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

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

**NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE**

*Neither the Fund nor Fidelity Distributors Corporation is a bank.*

## Note to Shareholders:

Early in 2020, the outbreak and spread of a new coronavirus emerged as a public health emergency that had a major influence on financial markets, primarily based on its impact on the global economy and the outlook for corporate earnings. The virus causes a respiratory disease known as COVID-19. On March 11, 2020 the World Health Organization declared the COVID-19 outbreak a pandemic, citing sustained risk of further global spread.

In the weeks following, as the crisis worsened, we witnessed an escalating human tragedy with wide-scale social and economic consequences from coronavirus-containment measures. The outbreak of COVID-19 prompted a number of measures to limit the spread, including travel and border restrictions, quarantines, and restrictions on large gatherings. In turn, these resulted in lower consumer activity, diminished demand for a wide range of products and services, disruption in manufacturing and supply chains, and — given the wide variability in outcomes regarding the outbreak — significant market uncertainty and volatility. Amid the turmoil, global governments and central banks took unprecedented action to help support consumers, businesses, and the broader economies, and to limit disruption to financial systems.

The situation continues to unfold, and the extent and duration of its impact on financial markets and the economy remain highly uncertain. Extreme events such as the coronavirus crisis are “exogenous shocks” that can have significant adverse effects on mutual funds and their investments. Although multiple asset classes may be affected by market disruption, the duration and impact may not be the same for all types of assets.

Fidelity is committed to helping you stay informed amid news about COVID-19 and during increased market volatility, and we’re taking extra steps to be responsive to customer needs. We encourage you to visit our websites, where we offer ongoing updates, commentary, and analysis on the markets and our funds.

# Investment Summary (Unaudited)

## Top Ten Stocks as of June 30, 2021

	% of fund's net assets
AMC Entertainment Holdings, Inc. Class A	0.7
EMCOR Group, Inc.	0.7
Tenet Healthcare Corp.	0.7
Synaptics, Inc.	0.7
Scientific Games Corp. Class A	0.7
Rexnord Corp.	0.7
Trupanion, Inc.	0.7
Crocs, Inc.	0.6
National Storage Affiliates Trust	0.6
Vista Outdoor, Inc.	<u>0.6</u>
	<u>6.7</u>

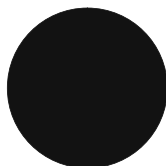
## Top Five Market Sectors as of June 30, 2021

	% of fund's net assets
Health Care	18.6
Financials	15.6
Industrials	15.4
Consumer Discretionary	13.3
Information Technology	12.8

## Asset Allocation (% of fund's net assets)

As of June 30, 2021

■ Stocks and Equity Futures	100.1%
■ Short-Term Investments and Net Other Assets (Liabilities)*	(0.1)%



\* Short-Term Investments and Net Other Assets (Liabilities) are not included in the pie chart

# Schedule of Investments June 30, 2021 (Unaudited)

Showing Percentage of Net Assets

## Common Stocks – 96.8%

	Shares	Value
<b>COMMUNICATION SERVICES – 2.6%</b>		
<b>Diversified Telecommunication Services – 0.9%</b>		
Cogent Communications Group, Inc.	11,344	\$ 872,240
Consolidated Communications Holdings, Inc. (a)	56,059	492,759
Iridium Communications, Inc. (a)	33,453	1,337,785
Liberty Latin America Ltd. Class C (a)	18,428	259,835
Ooma, Inc. (a)	33,949	640,278
		<u>3,602,897</u>
<b>Entertainment – 0.8%</b>		
AMC Entertainment Holdings, Inc. Class A (a) (b)	55,742	3,159,442
IMAX Corp. (a)	14,705	316,158
		<u>3,475,600</u>
<b>Interactive Media &amp; Services – 0.4%</b>		
TrueCar, Inc. (a)	65,549	370,352
Yelp, Inc. (a)	28,172	1,125,753
Zedge, Inc. (a) (b)	11,027	203,007
		<u>1,699,112</u>
<b>Media – 0.4%</b>		
AMC Networks, Inc. Class A (a) (b)	14,781	987,371
comScore, Inc. (a)	7,975	39,875
Magnite, Inc. (a)	7,901	267,370
TechTarget, Inc. (a)	2,489	192,873
Tegna, Inc.	5,664	106,257
WideOpenWest, Inc. (a)	12,641	261,795
		<u>1,855,541</u>
<b>Wireless Telecommunication Services – 0.1%</b>		
Shenandoah Telecommunications Co.	8,745	424,220
		<u>424,220</u>
<b>TOTAL COMMUNICATION SERVICES</b>		<u>11,057,370</u>
<b>CONSUMER DISCRETIONARY – 13.3%</b>		
<b>Auto Components – 0.5%</b>		
Adient PLC (a)	20,265	915,978
Cooper-Standard Holding, Inc. (a)	4,314	125,106
Modine Manufacturing Co. (a)	35,992	597,107
Visteon Corp. (a)	3,366	407,084
		<u>2,045,275</u>
<b>Automobiles – 0.0%</b>		
Workhorse Group, Inc. (a) (b)	14,190	235,412
<b>Diversified Consumer Services – 0.3%</b>		
Adtalem Global Education, Inc. (a)	16,462	586,706
American Public Education, Inc. (a)	7,370	208,866
Stride, Inc. (a)	12,474	400,790
		<u>1,196,362</u>
<b>Hotels, Restaurants &amp; Leisure – 3.4%</b>		
Bloomin' Brands, Inc. (a)	47,747	1,295,854
Brinker International, Inc. (a)	15,551	961,829
Caesars Entertainment, Inc. (a)	13,389	1,389,109
Del Taco Restaurants, Inc.	25,239	252,642
Everi Holdings, Inc. (a)	25,096	625,894
Hilton Grand Vacations, Inc. (a)	1,682	69,618
International Game Technology PLC (a)	42,735	1,023,931
Papa John's International, Inc.	5,278	551,234
PlayAGS, Inc. (a)	8,571	84,853
RCI Hospitality Holdings, Inc.	5,191	343,644
Red Rock Resorts, Inc. (a)	7,162	304,385

	Shares	Value
Scientific Games Corp. Class A (a)	38,213	\$ 2,959,215
Shake Shack, Inc. Class A (a)	14,474	1,549,007
Texas Roadhouse, Inc. Class A	7,118	684,752
Wingstop, Inc.	15,554	2,451,777
		<u>14,547,744</u>
<b>Household Durables – 2.0%</b>		
Cavco Industries, Inc. (a)	3,084	685,234
Flexsteel Industries, Inc. (b)	10,428	421,187
Green Brick Partners, Inc. (a)	16,285	370,321
Installed Building Products, Inc.	3,744	458,116
KB Home	34,434	1,402,152
M.D.C. Holdings, Inc.	23,707	1,199,574
M/I Homes, Inc. (a)	26,256	1,540,440
Meritage Homes Corp. (a)	4,157	391,091
TopBuild Corp. (a)	6,260	1,238,103
TRI Pointe Homes, Inc. (a)	40,130	859,986
		<u>8,566,204</u>
<b>Internet &amp; Direct Marketing Retail – 0.7%</b>		
Overstock.com, Inc. (a)	3,426	315,877
Shutterstock, Inc. (b)	17,862	1,753,513
Stamps.com, Inc. (a)	1,410	282,409
Stitch Fix, Inc. (a) (b)	7,288	439,466
		<u>2,791,265</u>
<b>Leisure Products – 1.3%</b>		
Acushnet Holdings Corp.	3,084	152,350
American Outdoor Brands, Inc. (a)	2,708	95,159
Clarus Corp.	2,071	53,225
Johnson Outdoors, Inc. Class A	8,676	1,049,796
Malibu Boats, Inc. Class A (a)	8,092	593,386
Sturm, Ruger & Co., Inc.	6,173	555,447
Vista Outdoor, Inc. (a)	57,434	2,658,046
YETI Holdings, Inc. (a)	2,764	253,790
		<u>5,411,199</u>
<b>Multiline Retail – 0.5%</b>		
Dillard's, Inc. Class A (b)	2,459	444,784
Macy's, Inc. (a)	85,033	1,612,226
		<u>2,057,010</u>
<b>Specialty Retail – 3.4%</b>		
Abercrombie & Fitch Co. Class A (a)	12,260	569,232
Academy Sports & Outdoors, Inc.	17,836	735,557
Asbury Automotive Group, Inc. (a)	6,152	1,054,268
Bed Bath & Beyond, Inc. (a) (b)	6,910	230,034
Citi Trends, Inc. (a)	1,431	124,497
Group 1 Automotive, Inc.	11,570	1,786,755
Haverty Furniture Companies, Inc. (b)	7,101	303,639
Lithia Motors, Inc. Class A (sub. vtg.)	481	165,291
Murphy U.S.A., Inc.	4,571	609,634
Rent-A-Center, Inc.	33,754	1,791,325
RH (a)	1,674	1,136,646
Shoe Carnival, Inc.	24,121	1,726,822
Signet Jewelers Ltd.	12,986	1,049,139
Sleep Number Corp. (a)	16,362	1,799,002
Sonic Automotive, Inc. Class A (sub. vtg.)	25,057	1,121,050
The Aaron's Co., Inc.	3,211	102,720
		<u>14,305,611</u>

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

## Schedule of Investments (Unaudited) – continued

### Common Stocks – continued

	Shares	Value
<b>CONSUMER DISCRETIONARY – continued</b>		
<b>Textiles, Apparel &amp; Luxury Goods – 1.2%</b>		
Crocs, Inc. (a)	23,190	\$ 2,702,099
Deckers Outdoor Corp. (a)	3,519	1,351,542
Kontoor Brands, Inc.	9,533	537,757
Lakeland Industries, Inc. (a)	12,721	284,060
Rocky Brands, Inc.	3,972	220,843
		<u>5,096,301</u>
TOTAL CONSUMER DISCRETIONARY		<u>56,252,383</u>
<b>CONSUMER STAPLES – 2.3%</b>		
<b>Beverages – 0.4%</b>		
Celsius Holdings, Inc. (a)	1,672	127,222
Coca-Cola Bottling Co. Consolidated	1,537	618,074
MGP Ingredients, Inc. (b)	3,813	257,911
Primo Water Corp.	41,730	698,143
		<u>1,701,350</u>
<b>Food &amp; Staples Retailing – 0.5%</b>		
Andersons, Inc.	14,727	449,615
BJ's Wholesale Club Holdings, Inc. (a)	6,063	288,478
Ingles Markets, Inc. Class A	7,977	464,820
Natural Grocers by Vitamin Cottage, Inc.	11,847	127,237
Performance Food Group Co. (a)	1,536	74,481
PriceSmart, Inc.	3,993	363,403
Rite Aid Corp. (a) (b)	6,015	98,045
Weis Markets, Inc. (b)	3,699	191,090
		<u>2,057,169</u>
<b>Food Products – 0.8%</b>		
Cal-Maine Foods, Inc. (a) (b)	12,489	452,227
Darling Ingredients, Inc. (a)	35,347	2,385,923
John B. Sanfilippo & Son, Inc.	3,858	341,703
Lancaster Colony Corp.	390	75,469
The Simply Good Foods Co. (a)	6,530	238,410
		<u>3,493,732</u>
<b>Household Products – 0.1%</b>		
Central Garden & Pet Co. (a)	1,290	68,280
Central Garden & Pet Co. Class A (non-vtg.) (a)	2,447	118,190
WD-40 Co. (b)	953	244,244
		<u>430,714</u>
<b>Personal Products – 0.4%</b>		
MediFast, Inc.	4,864	1,376,415
USANA Health Sciences, Inc. (a)	5,177	530,280
		<u>1,906,695</u>
<b>Tobacco – 0.1%</b>		
Vector Group Ltd.	17,703	250,320
		<u>250,320</u>
TOTAL CONSUMER STAPLES		<u>9,839,980</u>
<b>ENERGY – 4.1%</b>		
<b>Energy Equipment &amp; Services – 1.0%</b>		
Archrock, Inc.	28,699	255,708
Frank's International NV (a)	14,857	45,017
Helix Energy Solutions Group, Inc. (a)	92,253	526,765
Nabors Industries Ltd. (a)	14,777	1,688,124
Nabors Industries Ltd. warrants 6/11/26 (a) (b)	5,910	59,100

	Shares	Value
Nextier Oilfield Solutions, Inc. (a)	19,216	\$ 91,468
Oceaneering International, Inc. (a)	28,776	448,042
Oil States International, Inc. (a)	34,191	268,399
ProPetro Holding Corp. (a)	30,467	279,078
U.S. Silica Holdings, Inc. (a)	34,869	403,086
		<u>4,064,787</u>
<b>Oil, Gas &amp; Consumable Fuels – 3.1%</b>		
Antero Resources Corp. (a)	30,504	458,475
Bonanza Creek Energy, Inc.	7,625	358,909
Comstock Resources, Inc. (a) (b)	98,525	657,162
DHT Holdings, Inc.	83,552	542,252
Green Plains, Inc. (a)	5,804	195,130
Kosmos Energy Ltd. (a)	337,153	1,166,549
Magnolia Oil & Gas Corp. Class A (a)	29,093	454,724
Nordic American Tanker Shipping Ltd. (b)	94,274	309,219
PBF Energy, Inc. Class A (a)	90,561	1,385,583
Penn Virginia Corp. (a)	46,333	1,093,922
Range Resources Corp. (a)	29,936	501,727
Renewable Energy Group, Inc. (a)	16,510	1,029,233
SFL Corp. Ltd.	130,600	999,090
SM Energy Co.	104,818	2,581,667
Talos Energy, Inc. (a)	16,193	253,259
Tellurian, Inc. (a)	108,650	505,223
W&T Offshore, Inc. (a) (b)	142,331	690,305
World Fuel Services Corp.	3,597	114,133
		<u>13,296,562</u>
TOTAL ENERGY		<u>17,361,349</u>
<b>FINANCIALS – 15.6%</b>		
<b>Banks – 7.3%</b>		
1st Source Corp.	7,911	367,545
Ameris Bancorp	6,778	343,170
Banc of California, Inc.	13,210	231,703
BancFirst Corp.	32,236	2,012,493
Bancorp, Inc., Delaware (a)	9,568	220,160
Berkshire Hills Bancorp, Inc.	13,341	365,677
Brookline Bancorp, Inc., Delaware	4,060	60,697
Capital City Bank Group, Inc.	2,021	52,122
Cathay General Bancorp	43,210	1,700,746
CIT Group, Inc.	4,443	229,214
City Holding Co.	822	61,847
Community Bank System, Inc.	1,173	88,737
Community Trust Bancorp, Inc.	4,646	187,605
Eagle Bancorp, Inc.	2,012	112,833
Financial Institutions, Inc.	9,971	299,130
First Bancorp, North Carolina	1,359	55,597
First Bancorp, Puerto Rico	199,215	2,374,643
First Commonwealth Financial Corp.	11,657	164,014
First Financial Bankshares, Inc.	7,215	354,473
First Financial Corp., Indiana	2,272	92,743
First Foundation, Inc.	2,157	48,554
First Interstate Bancsystem, Inc.	12,644	528,899
First of Long Island Corp.	2,509	53,266
Flushing Financial Corp.	3,709	79,484
Fulton Financial Corp.	104,279	1,645,523

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

## Common Stocks – continued

	Shares	Value
<b>FINANCIALS – continued</b>		
<b>Banks – continued</b>		
Great Southern Bancorp, Inc.	14,899	\$ 803,056
Great Western Bancorp, Inc.	4,158	136,341
Hancock Whitney Corp.	42,761	1,900,299
Hilltop Holdings, Inc.	52,909	1,925,888
Hope Bancorp, Inc.	9,759	138,383
Independent Bank Group, Inc.	8,118	600,570
International Bancshares Corp.	47,323	2,032,050
Investors Bancorp, Inc.	183,731	2,620,004
Lakeland Bancorp, Inc.	4,530	79,184
Lakeland Financial Corp.	5,794	357,142
Live Oak Bancshares, Inc. (b)	5,119	302,021
Mercantile Bank Corp.	1,869	56,444
Midland States Bancorp, Inc.	6,056	159,091
Nicolet Bankshares, Inc. (a)	1,637	115,147
OFG Bancorp	34,137	755,110
Old National Bancorp, Indiana	5,408	95,235
Park National Corp.	2,436	286,035
Peapack-Gladstone Financial Corp.	7,329	227,712
Republic Bancorp, Inc., Kentucky Class A	580	26,755
Sandy Spring Bancorp, Inc. (b)	5,086	224,445
ServisFirst Bancshares, Inc.	2,410	163,832
Sierra Bancorp	9,487	241,444
Silvergate Capital Corp. (a)	3,848	436,055
South State Corp.	3,716	303,820
Southside Bancshares, Inc.	8,957	342,426
Texas Capital Bancshares, Inc. (a)	11,844	751,976
Tompkins Financial Corp.	2,742	212,670
Trico Bancshares	4,843	206,215
Trustmark Corp.	8,067	248,464
UMB Financial Corp.	16,859	1,568,899
United Bankshares, Inc., West Virginia	1,318	48,107
United Community Bank, Inc.	10,310	330,023
Univest Corp. of Pennsylvania	8,230	217,025
Valley National Bancorp	47,146	633,171
Washington Trust Bancorp, Inc.	2,490	127,862
WesBanco, Inc.	14,788	526,896
		<u>30,930,672</u>
<b>Capital Markets – 2.9%</b>		
Artisan Partners Asset Management, Inc.	47,698	2,424,012
B. Riley Financial, Inc.	3,228	243,714
BGC Partners, Inc. Class A	25,574	145,005
Cohen & Steers, Inc.	20,329	1,668,808
Cowen Group, Inc. Class A	7,294	299,419
Federated Hermes, Inc. Class B (non-vtg.)	47,574	1,613,234
Oppenheimer Holdings, Inc. Class A (non-vtg.)	24,348	1,237,852
Piper Jaffray Companies	12,582	1,630,124
PJT Partners, Inc.	7,339	523,858
Pzena Investment Management, Inc.	3,325	36,608
Stifel Financial Corp.	23,144	1,501,120
StoneX Group, Inc. (a)	13,933	845,315
		<u>12,169,069</u>
<b>Consumer Finance – 1.0%</b>		
Enova International, Inc. (a)	40,993	1,402,371
LendingClub Corp. (a)	33,164	601,263

	Shares	Value
Nelnet, Inc. Class A	24,179	\$ 1,818,986
PROG Holdings, Inc.	6,422	309,091
		<u>4,131,711</u>
<b>Diversified Financial Services – 0.2%</b>		
Cannae Holdings, Inc. (a)	23,876	809,635
Marlin Business Services Corp.	11,065	251,839
		<u>1,061,474</u>
<b>Insurance – 1.6%</b>		
Amerisafe, Inc.	8,733	521,273
Crawford & Co. Class B	2,914	25,060
Employers Holdings, Inc.	5,775	247,170
Goosehead Insurance	1,194	151,996
Horace Mann Educators Corp.	16,150	604,333
Investors Title Co.	39	6,811
ProAssurance Corp.	10,326	234,917
Safety Insurance Group, Inc.	422	33,034
Selective Insurance Group, Inc.	26,460	2,147,229
Trupanion, Inc. (a)	24,997	2,877,155
		<u>6,848,978</u>
<b>Mortgage Real Estate Investment Trusts – 0.6%</b>		
Apollo Commercial Real Estate Finance, Inc.	17,119	273,048
Arbor Realty Trust, Inc.	83,392	1,486,045
Granite Point Mortgage Trust, Inc.	9,574	141,217
Hannon Armstrong Sustainable Infrastructure Capital, Inc.	2,633	147,843
Invesco Mortgage Capital, Inc.	68,514	267,205
Redwood Trust, Inc.	5,699	68,787
		<u>2,384,145</u>
<b>Thriffs &amp; Mortgage Finance – 2.0%</b>		
Essent Group Ltd.	44,466	1,998,747
Federal Agricultural Mortgage Corp. Class C (non-vtg.)	5,557	549,587
Northwest Bancshares, Inc.	69,060	941,978
Pennymac Financial Services, Inc.	4,363	269,284
Premier Financial Corp.	6,703	190,432
Radian Group, Inc.	87,765	1,952,771
Walker & Dunlop, Inc.	14,203	1,482,509
Washington Federal, Inc.	20,614	655,113
Waterstone Financial, Inc.	18,591	365,499
		<u>8,405,920</u>
<b>TOTAL FINANCIALS</b>		<u>65,931,969</u>
<b>HEALTH CARE – 18.6%</b>		
<b>Biotechnology – 9.0%</b>		
ACADIA Pharmaceuticals, Inc. (a)	3,448	84,097
Adverum Biotechnologies, Inc. (a)	36,860	129,010
Affimed NV (a)	44,010	374,085
Agenus, Inc. (a) (b)	82,512	452,991
Agios Pharmaceuticals, Inc. (a)	14,129	778,649
Akebia Therapeutics, Inc. (a) (b)	76,900	291,451
Alkermes PLC (a)	30,372	744,721
Allakos, Inc. (a)	2,237	190,973
Allogene Therapeutics, Inc. (a) (b)	4,077	106,328
ALX Oncology Holdings, Inc. (a)	4,186	228,890
Amicus Therapeutics, Inc. (a)	28,089	270,778
AnaptysBio, Inc. (a) (b)	8,870	229,999
Anavex Life Sciences Corp. (a)	15,551	355,496

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

## Schedule of Investments (Unaudited) – continued

### Common Stocks – continued

	Shares	Value
<b>HEALTH CARE – continued</b>		
<b>Biotechnology – continued</b>		
Anika Therapeutics, Inc. (a)	3,044	\$ 131,775
Apellis Pharmaceuticals, Inc. (a)	11,523	728,254
Arcturus Therapeutics Holdings, Inc. (a) (b)	4,347	147,102
Arcus Biosciences, Inc. (a)	9,149	251,232
Ardelyx, Inc. (a)	39,246	297,485
Arena Pharmaceuticals, Inc. (a)	5,674	386,967
Arrowhead Pharmaceuticals, Inc. (a)	11,541	955,826
Assembly Biosciences, Inc. (a)	47,445	184,087
Atara Biotherapeutics, Inc. (a)	22,010	342,256
Athenex, Inc. (a) (b)	9,348	43,188
Athersys, Inc. (a) (b)	87,918	126,602
AVROBIO, Inc. (a)	6,648	59,101
Beam Therapeutics, Inc. (a) (b)	9,494	1,221,973
BioCryst Pharmaceuticals, Inc. (a) (b)	7,002	110,702
Biohaven Pharmaceutical Holding Co. Ltd. (a)	5,068	492,001
BioXcel Therapeutics, Inc. (a)	5,772	167,734
bluebird bio, Inc. (a)	16,516	528,182
Blueprint Medicines Corp. (a)	6,174	543,065
BridgeBio Pharma, Inc. (a)	10,113	616,488
C4 Therapeutics, Inc.	10,032	379,611
Calithera Biosciences, Inc. (a)	50,864	106,306
CareDx, Inc. (a)	4,409	403,512
Catalyst Biosciences, Inc. (a)	22,492	97,390
Catalyst Pharmaceutical Partners, Inc. (a)	67,070	385,653
ChemoCentryx, Inc. (a)	4,452	59,612
Chimerix, Inc. (a)	48,437	387,496
Clovis Oncology, Inc. (a) (b)	46,298	268,528
Coherus BioSciences, Inc. (a)	20,486	283,321
Concert Pharmaceuticals, Inc. (a)	30,355	128,098
Corbus Pharmaceuticals Holdings, Inc. (a)	133,842	244,931
Cue Biopharma, Inc. (a)	7,593	88,458
Cytokinetics, Inc. (a)	4,303	85,156
CytomX Therapeutics, Inc. (a)	22,745	143,976
Deciphera Pharmaceuticals, Inc. (a)	7,105	260,114
Denali Therapeutics, Inc. (a)	9,561	749,965
Dicerna Pharmaceuticals, Inc. (a)	4,281	159,767
Eagle Pharmaceuticals, Inc. (a) (b)	4,298	183,954
Editas Medicine, Inc. (a) (b)	13,506	764,980
Eiger Biopharmaceuticals, Inc. (a)	11,085	94,444
Emergent BioSolutions, Inc. (a)	10,306	649,175
Enanta Pharmaceuticals, Inc. (a)	835	36,748
Epizyme, Inc. (a) (b)	18,124	150,610
Fate Therapeutics, Inc. (a)	14,482	1,256,893
FibroGen, Inc. (a)	12,137	323,208
Flexion Therapeutics, Inc. (a) (b)	22,855	188,097
Fortress Biotech, Inc. (a)	29,160	104,101
Global Blood Therapeutics, Inc. (a) (b)	14,740	516,195
Gritstone Bio, Inc. (a) (b)	10,216	93,272
Halozyyme Therapeutics, Inc. (a)	25,948	1,178,299
Heron Therapeutics, Inc. (a) (b)	6,413	99,530
ImmunoGen, Inc. (a)	67,818	446,921
Immunovant, Inc. (a)	20,606	217,805
Insmmed, Inc. (a)	10,005	284,742
Intellia Therapeutics, Inc. (a)	10,655	1,725,151

	Shares	Value
Intercept Pharmaceuticals, Inc. (a) (b)	10,280	\$ 205,292
Invitae Corp. (a) (b)	30,158	1,017,229
Iovance Biotherapeutics, Inc. (a)	2,874	74,781
Ironwood Pharmaceuticals, Inc. Class A (a)	41,573	535,045
Jounce Therapeutics, Inc. (a)	4,741	32,239
Kadmon Holdings, Inc. (a)	34,113	132,017
Karuna Therapeutics, Inc. (a)	983	112,052
Karyopharm Therapeutics, Inc. (a) (b)	14,494	149,578
Kindred Biosciences, Inc. (a)	23,627	216,660
Kodiak Sciences, Inc. (a)	2,921	271,653
Krystal Biotech, Inc. (a)	1,245	84,660
Kura Oncology, Inc. (a)	4,096	85,402
La Jolla Pharmaceutical Co. (a) (b)	31,428	134,512
Lexicon Pharmaceuticals, Inc. (a)	42,543	195,272
Ligand Pharmaceuticals, Inc. Class B (a) (b)	1,040	136,438
MacroGenics, Inc. (a)	9,465	254,230
Madrigal Pharmaceuticals, Inc. (a)	3,592	349,897
Mersana Therapeutics, Inc. (a)	3,495	47,462
Minerva Neurosciences, Inc. (a)	60,847	141,165
Mirati Therapeutics, Inc. (a)	2,724	440,008
Molecular Templates, Inc. (a)	9,139	71,467
Mustang Bio, Inc. (a)	37,604	124,845
Myriad Genetics, Inc. (a)	12,506	382,433
Natera, Inc. (a)	3,539	401,783
Novavax, Inc. (a)	2,123	450,734
Oncternal Therapeutics, Inc. rights (a) (c)	466	0
Opko Health, Inc. (a) (b)	101,894	412,671
Organogenesis Holdings, Inc. Class A (a) (b)	6,227	103,493
Ovid Therapeutics, Inc. (a) (b)	20,967	81,981
Oyster Point Pharma, Inc. (a) (b)	3,371	57,947
Pieris Pharmaceuticals, Inc. (a) (b)	23,891	91,503
Precigen, Inc. (a) (b)	43,524	283,776
Protagonist Therapeutics, Inc. (a)	5,170	232,030
PTC Therapeutics, Inc. (a)	13,178	557,034
Puma Biotechnology, Inc. (a)	17,968	164,946
Radius Health, Inc. (a)	15,398	280,860
REGENXBIO, Inc. (a)	4,967	192,968
Relay Therapeutics, Inc. (a)	1,576	57,666
Revolution Medicines, Inc. (a) (b)	1,785	56,656
Rigel Pharmaceuticals, Inc. (a)	37,029	160,706
Rocket Pharmaceuticals, Inc. (a)	1,697	75,160
Rubius Therapeutics, Inc. (a)	7,421	181,147
Sangamo Therapeutics, Inc. (a)	4,891	58,545
Selecta Biosciences, Inc. (a)	31,656	132,322
Seres Therapeutics, Inc. (a) (b)	3,233	77,107
Solid Biosciences, Inc. (a)	27,368	100,167
Springworks Therapeutics, Inc. (a)	1,199	98,810
Surface Oncology, Inc. (a)	15,528	115,839
Syndax Pharmaceuticals, Inc. (a) (b)	8,882	152,504
TCR2 Therapeutics, Inc. (a)	2,036	33,411
TG Therapeutics, Inc. (a)	23,117	896,708
Translate Bio, Inc. (a) (b)	3,639	100,218
Traverse Therapeutics, Inc. (a)	17,671	257,820
Turning Point Therapeutics, Inc. (a)	3,742	291,951
Twist Bioscience Corp. (a)	4,821	642,398
Ultragenyx Pharmaceutical, Inc. (a)	4,280	408,098

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



## Common Stocks – continued

	Shares	Value
<b>HEALTH CARE – continued</b>		
<b>Biotechnology – continued</b>		
Vanda Pharmaceuticals, Inc. (a)	18,155	\$ 390,514
Veracyte, Inc. (a)	5,811	232,324
Vericel Corp. (a)	2,440	128,100
Vir Biotechnology, Inc. (a)	12,613	596,343
Voyager Therapeutics, Inc. (a)	16,802	69,392
Xbiotech, Inc.	6,974	115,489
Xencor, Inc. (a)	4,370	150,721
Y-mAbs Therapeutics, Inc. (a)	1,058	35,760
		<u>38,239,446</u>
<b>Health Care Equipment &amp; Supplies – 3.0%</b>		
Accuray, Inc. (a) (b)	101,505	458,803
Atricure, Inc. (a)	16,727	1,326,953
Axonics Modulation Technologies, Inc. (a)	768	48,699
Cardiovascular Systems, Inc. (a)	32,215	1,373,970
Cerus Corp. (a)	36,650	216,602
ConforMIS, Inc. (a)	37,719	43,377
CryoPort, Inc. (a) (b)	2,025	127,778
Inari Medical, Inc. (a)	1,873	174,713
Integer Holdings Corp. (a)	4,735	446,037
Invacare Corp. (a)	12,892	104,038
Lantheus Holdings, Inc. (a)	30,178	834,120
LeMaitre Vascular, Inc.	2,807	171,283
LivaNova PLC (a)	2,189	184,117
Meridian Bioscience, Inc. (a)	68,671	1,523,123
Nevro Corp. (a)	6,367	1,055,585
Novocure Ltd. (a)	2,777	615,994
Orthofix International NV (a)	11,528	462,388
Seaspine Holdings Corp. (a)	2,745	56,300
Shockwave Medical, Inc. (a)	2,435	461,993
Sientra, Inc. (a) (b)	52,608	418,760
Staar Surgical Co. (a)	4,713	718,733
SurModics, Inc. (a)	23,987	1,301,295
Tandem Diabetes Care, Inc. (a)	4,053	394,762
		<u>12,519,423</u>
<b>Health Care Providers &amp; Services – 3.1%</b>		
AdaptHealth Corp. (a)	17,332	475,070
Amedisys, Inc. (a)	1,330	325,757
Apollo Medical Holdings, Inc. (a) (b)	8,981	564,097
Brookdale Senior Living, Inc. (a)	75,224	594,270
Carvel Corp. (a)	16,271	2,185,195
Cross Country Healthcare, Inc. (a)	2,663	43,966
Modivcare, Inc. (a)	4,976	846,268
National Healthcare Corp.	14,615	1,021,589
Owens & Minor, Inc.	21,733	919,958
Patterson Companies, Inc.	21,769	661,560
Select Medical Holdings Corp.	59,229	2,503,018
Tenet Healthcare Corp. (a)	46,095	3,087,904
		<u>13,228,652</u>
<b>Health Care Technology – 1.6%</b>		
Allscripts Healthcare Solutions, Inc. (a)	143,204	2,650,706
HealthStream, Inc. (a)	11,157	311,727
Inovalon Holdings, Inc. Class A (a)	21,256	724,404
Inspire Medical Systems, Inc. (a)	2,484	480,058
Nextgen Healthcare, Inc. (a)	90,530	1,501,893

	Shares	Value
OptimizeRx Corp. (a) (b)	9,717	\$ 601,482
Phreesia, Inc. (a)	6,409	392,872
Schrodinger, Inc. (a)	1,532	115,835
		<u>6,778,977</u>
<b>Life Sciences Tools &amp; Services – 0.9%</b>		
Berkeley Lights, Inc. (a)	10,686	478,840
Fluidigm Corp. (a) (b)	15,317	94,353
Medpace Holdings, Inc. (a)	5,893	1,040,881
Nanostring Technologies, Inc. (a)	8,879	575,270
NeoGenomics, Inc. (a)	11,341	512,273
Pacific Biosciences of California, Inc. (a)	20,196	706,254
Quanterix Corp. (a)	4,465	261,917
		<u>3,669,788</u>
<b>Pharmaceuticals – 1.0%</b>		
Amneal Pharmaceuticals, Inc. (a)	41,668	213,340
Amphastar Pharmaceuticals, Inc. (a)	7,335	147,874
Arvinas Holding Co. LLC (a)	2,597	199,969
Axsome Therapeutics, Inc. (a)	1,812	122,238
Cara Therapeutics, Inc. (a)	13,987	199,594
Cassava Sciences, Inc. (a)	2,355	201,211
Cerecor, Inc. (a)	8,752	28,619
Collegium Pharmaceutical, Inc. (a)	4,914	116,167
Corcept Therapeutics, Inc. (a)	19,877	437,294
Endo International PLC (a)	59,527	278,586
Intra-Cellular Therapies, Inc. (a)	4,692	191,527
Liquidia Technologies, Inc. (a)	26,751	76,508
NGM Biopharmaceuticals, Inc. (a)	7,628	150,424
Odonate Therapeutics, Inc. (a)	30,440	106,236
Pacira Biosciences, Inc. (a)	8,233	499,578
Prestige Brands Holdings, Inc. (a)	10,093	525,845
Reata Pharmaceuticals, Inc. (a)	2,276	322,122
Revance Therapeutics, Inc. (a)	1,935	57,353
Theravance Biopharma, Inc. (a)	9,414	136,691
WAVE Life Sciences (a)	22,461	149,590
		<u>4,160,766</u>
<b>TOTAL HEALTH CARE</b>		<u>78,597,052</u>
<b>INDUSTRIALS – 15.4%</b>		
<b>Aerospace &amp; Defense – 1.3%</b>		
AAR Corp. (a)	42,695	1,654,431
Aerojet Rocketdyne Holdings, Inc.	1,283	61,956
Astronics Corp. (a)	29,986	525,055
Moog, Inc. Class A	22,731	1,910,768
Parsons Corp. (a)	34,088	1,341,704
		<u>5,493,914</u>
<b>Air Freight &amp; Logistics – 0.1%</b>		
Atlas Air Worldwide Holdings, Inc. (a)	9,026	614,761
<b>Airlines – 0.2%</b>		
Mesa Air Group, Inc. (a)	73,417	684,981
SkyWest, Inc. (a)	4,545	195,753
		<u>880,734</u>
<b>Building Products – 1.4%</b>		
Advanced Drain Systems, Inc.	4,999	582,733
Cornerstone Building Brands, Inc. (a)	18,650	339,057
Gibraltar Industries, Inc. (a)	5,972	455,723

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

## Schedule of Investments (Unaudited) – continued

### Common Stocks – continued

	Shares	Value
<b>INDUSTRIALS – continued</b>		
<b>Building Products – continued</b>		
Griffon Corp.	1,959	\$ 50,209
Quanex Building Products Corp.	38,152	947,696
Resideo Technologies, Inc. (a)	18,878	566,340
Simpson Manufacturing Co. Ltd.	6,009	663,634
UFP Industries, Inc.	32,331	2,403,487
		<u>6,008,879</u>
<b>Commercial Services &amp; Supplies – 1.3%</b>		
ABM Industries, Inc.	3,241	143,738
Brady Corp. Class A	24,607	1,378,976
BrightView Holdings, Inc. (a)	5,912	95,301
Healthcare Services Group, Inc. (b)	8,467	267,303
Kimball International, Inc. Class B	32,844	431,899
Tetra Tech, Inc.	8,184	998,775
UniFirst Corp.	8,230	1,931,087
VSE Corp.	831	41,143
		<u>5,288,222</u>
<b>Construction &amp; Engineering – 1.0%</b>		
Comfort Systems U.S.A., Inc.	2,920	230,067
EMCOR Group, Inc.	25,289	3,115,352
Great Lakes Dredge & Dock Corp. (a)	35,127	513,205
Primoris Services Corp.	8,330	245,152
		<u>4,103,776</u>
<b>Electrical Equipment – 2.2%</b>		
Atkore, Inc. (a)	31,407	2,229,897
AZZ, Inc.	11,764	609,140
Encore Wire Corp.	26,737	2,026,397
EnerSys	19,513	1,907,005
FuelCell Energy, Inc. (a) (b)	26,133	232,584
Generac Holdings, Inc. (a)	2,652	1,100,978
Plug Power, Inc. (a)	18,135	620,036
Preformed Line Products Co.	6,910	512,722
		<u>9,238,759</u>
<b>Machinery – 3.2%</b>		
Albany International Corp. Class A	1,809	161,471
Altra Industrial Motion Corp.	12,148	789,863
CIRCOR International, Inc. (a)	6,742	219,789
Columbus McKinnon Corp. (NY Shares)	2,502	120,696
Energy Recovery, Inc. (a)	5,819	132,557
EnPro Industries, Inc.	9,034	877,653
Evoqua Water Technologies Corp. (a)	22,542	761,469
Franklin Electric Co., Inc.	1,431	115,367
Gorman-Rupp Co.	3,647	125,603
Helios Technologies, Inc.	4,176	325,937
Hillenbrand, Inc.	27,674	1,219,870
Hurco Companies, Inc.	10,774	377,090
Hyster-Yale Materials Handling Class A	7,019	512,247
Kennametal, Inc.	12,340	443,253
L.B. Foster Co. Class A (a)	3,589	66,899
Lydall, Inc. (a)	5,729	346,719
Manitowoc Co., Inc. (a)	15,416	377,692
Mueller Industries, Inc.	24,490	1,060,662
Nikola Corp. (a) (b)	15,894	287,046
Proto Labs, Inc. (a)	4,598	422,096
Rexnord Corp.	58,084	2,906,523

	Shares	Value
Tennant Co.	2,680	\$ 213,998
Terex Corp.	13,987	666,061
The Greenbrier Companies, Inc. (b)	7,661	333,866
Wabash National Corp. (b)	4,074	65,184
Watts Water Technologies, Inc. Class A	4,891	713,646
		<u>13,643,257</u>
<b>Marine – 0.2%</b>		
Costamare, Inc.	31,630	373,550
Matson, Inc.	2,885	184,640
Safe Bulkers, Inc. (a)	91,105	365,331
		<u>923,521</u>
<b>Professional Services – 1.9%</b>		
Barrett Business Services, Inc.	2,801	203,381
CRA International, Inc.	2,910	249,096
Heidrick & Struggles International, Inc.	34,552	1,539,292
Kforce, Inc.	34,982	2,201,417
Korn Ferry	7,261	526,786
ManTech International Corp. Class A	4,761	412,017
Trinet Group, Inc. (a)	10,187	738,354
Upwork, Inc. (a)	36,329	2,117,617
		<u>7,987,960</u>
<b>Road &amp; Rail – 0.5%</b>		
ArcBest Corp.	10,005	582,191
Heartland Express, Inc.	6,013	103,003
Marten Transport Ltd.	46,928	773,843
Saia, Inc. (a)	3,181	666,388
		<u>2,125,425</u>
<b>Trading Companies &amp; Distributors – 2.1%</b>		
Applied Industrial Technologies, Inc.	16,436	1,496,662
Boise Cascade Co.	36,521	2,131,000
Global Industrial Co. (b)	20,490	752,188
GMS, Inc. (a)	24,000	1,155,360
Herc Holdings, Inc. (a)	5,360	600,695
NOW, Inc. (a)	20,680	196,253
Rush Enterprises, Inc. Class A	47,351	2,047,457
Titan Machinery, Inc. (a)	2,044	63,241
Veritiv Corp. (a)	4,579	281,242
		<u>8,724,098</u>
TOTAL INDUSTRIALS		<u>65,033,306</u>
<b>INFORMATION TECHNOLOGY – 12.8%</b>		
<b>Communications Equipment – 1.0%</b>		
ADTRAN, Inc.	12,095	249,762
Calix, Inc. (a)	54,559	2,591,553
Comtech Telecommunications Corp.	2,631	63,565
Digi International, Inc. (a)	5,184	104,250
Extreme Networks, Inc. (a)	37,946	423,477
Inseego Corp. (a) (b)	45,432	458,409
Plantronics, Inc. (a)	2,399	100,110
		<u>3,991,126</u>
<b>Electronic Equipment &amp; Components – 1.2%</b>		
Arlo Technologies, Inc. (a)	10,515	71,187
Badger Meter, Inc.	1,044	102,437
ePlus, Inc. (a)	3,725	322,920
II-VI, Inc. (a)	13,130	953,107

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

## Common Stocks – continued

	Shares	Value
<b>INFORMATION TECHNOLOGY – continued</b>		
<b>Electronic Equipment &amp; Components – continued</b>		
Insight Enterprises, Inc. (a)	9,870	\$ 987,099
Itron, Inc. (a)	663	66,287
Kimball Electronics, Inc. (a)	36,672	797,249
Methode Electronics, Inc. Class A	14,653	721,074
MicroVision, Inc. (a)	9,660	161,805
PC Connection, Inc.	10,085	466,633
ScanSource, Inc. (a)	20,680	581,728
		<u>5,231,526</u>
<b>IT Services – 0.5%</b>		
Brightcove, Inc. (a)	4,515	64,790
Conduent, Inc. (a)	19,512	146,340
CSG Systems International, Inc.	3,983	187,918
EVERTEC, Inc.	26,654	1,163,447
Limelight Networks, Inc. (a)	63,732	200,756
Marathon Digital Holdings, Inc. (a)	5,935	186,181
Sykes Enterprises, Inc. (a)	4,726	253,786
		<u>2,203,218</u>
<b>Semiconductors &amp; Semiconductor Equipment – 3.9%</b>		
Alpha & Omega Semiconductor Ltd. (a)	8,672	263,542
Ambarella, Inc. (a)	10,338	1,102,341
Amkor Technology, Inc.	66,689	1,578,529
CEVA, Inc. (a)	1,459	69,011
Cirrus Logic, Inc. (a)	15,604	1,328,212
Diodes, Inc. (a)	15,672	1,250,155
FormFactor, Inc. (a)	11,096	404,560
Lattice Semiconductor Corp. (a)	43,260	2,430,347
NeoPhotonics Corp. (a)	97,413	994,587
Photronics, Inc. (a)	7,488	98,916
Power Integrations, Inc.	17,842	1,464,115
Semtech Corp. (a)	3,225	221,880
Silicon Laboratories, Inc. (a)	14,213	2,178,142
Synaptics, Inc. (a)	19,808	3,081,729
Veeco Instruments, Inc. (a) (b)	1,548	37,214
		<u>16,503,280</u>
<b>Software – 5.4%</b>		
A10 Networks, Inc. (a)	42,550	479,113
Agilysys, Inc. (a)	38,645	2,197,741
Appian Corp. Class A (a) (b)	5,082	700,046
Asana, Inc. (a)	6,588	408,654
BlackLine, Inc. (a)	17,437	1,940,215
Bottomline Technologies, Inc. (a)	1,107	41,048
Box, Inc. Class A (a)	30,624	782,443
Cloudera, Inc. (a)	3,270	51,862
Cognite Software Ltd. (a)	2,857	69,997
CommVault Systems, Inc. (a)	33,717	2,635,658
Cornerstone OnDemand, Inc. (a)	11,794	608,335
Digital Turbine, Inc. (a)	25,191	1,915,272
Domo, Inc. Class B (a)	21,279	1,719,982
Ebix, Inc.	2,742	92,954
MicroStrategy, Inc. Class A (a) (b)	1,212	805,374
Progress Software Corp.	38,685	1,789,181
Q2 Holdings, Inc. (a)	16,066	1,648,050
Qualys, Inc. (a)	12,704	1,279,166
Riot Blockchain, Inc. (a)	5,359	201,874

	Shares	Value
SecureWorks Corp. (a)	6,483	\$ 120,130
Sprout Social, Inc. (a)	3,761	336,309
SPS Commerce, Inc. (a)	14,710	1,468,794
Tenable Holdings, Inc. (a)	5,044	208,569
Verint Systems, Inc. (a)	13,013	586,496
Yext, Inc. (a)	7,971	113,906
Zuora, Inc. (a)	26,113	450,449
		<u>22,651,618</u>
<b>Technology Hardware, Storage &amp; Peripherals – 0.8%</b>		
3D Systems Corp. (a) (b)	15,580	622,733
Avid Technology, Inc. (a)	63,952	2,503,721
Diebold Nixdorf, Inc. (a)	26,304	337,743
		<u>3,464,197</u>
TOTAL INFORMATION TECHNOLOGY		<u>54,044,965</u>
<b>MATERIALS – 4.0%</b>		
<b>Chemicals – 0.9%</b>		
Avient Corp.	24,605	1,209,582
FutureFuel Corp.	25,478	244,589
Hawkins, Inc.	1,496	48,994
Rayonier Advanced Materials, Inc. (a)	30,275	202,540
Stepan Co.	13,801	1,659,846
Tronox Holdings PLC	19,346	433,350
		<u>3,798,901</u>
<b>Containers &amp; Packaging – 0.4%</b>		
Myers Industries, Inc.	72,680	1,526,280
<b>Metals &amp; Mining – 2.0%</b>		
Alcoa Corp. (a)	18,444	679,477
Arconic Corp. (a)	9,991	355,879
Cleveland-Cliffs, Inc. (a) (b)	111,626	2,406,657
Coeur d'Alene Mines Corp. (a)	26,528	235,569
Commercial Metals Co.	49,766	1,528,812
Materion Corp.	4,285	322,875
Navagold Resources, Inc. (a)	31,661	253,605
Olympic Steel, Inc.	1,894	55,665
Schnitzer Steel Industries, Inc. Class A	1,346	66,021
United States Steel Corp.	20,339	488,136
Worthington Industries, Inc.	35,337	2,161,918
		<u>8,554,614</u>
<b>Paper &amp; Forest Products – 0.7%</b>		
Louisiana-Pacific Corp.	36,041	2,172,912
Schweitzer-Mauduit International, Inc.	17,281	697,807
		<u>2,870,719</u>
TOTAL MATERIALS		<u>16,750,514</u>
<b>REAL ESTATE – 6.7%</b>		
<b>Equity Real Estate Investment Trusts (REITs) – 5.3%</b>		
Agree Realty Corp.	34,636	2,441,492
American Assets Trust, Inc.	42,164	1,572,296
American Finance Trust, Inc.	20,393	172,933
Armada Haffler Properties, Inc.	4,724	62,782
CareTrust (REIT), Inc.	9,023	209,604
CatchMark Timber Trust, Inc.	8,178	95,683
City Office REIT, Inc.	8,918	110,851

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

## Schedule of Investments (Unaudited) – continued

### Common Stocks – continued

	Shares	Value
<b>REAL ESTATE – continued</b>		
<b>Equity Real Estate Investment Trusts (REITs) – continued</b>		
DiamondRock Hospitality Co. (a)	10,538	\$ 102,219
Digitalbridge Group, Inc. (a)	92,718	732,472
Diversified Healthcare Trust (SBI)	84,311	352,420
Easterly Government Properties, Inc.	15,526	327,288
EastGroup Properties, Inc.	8,051	1,323,987
Equity Commonwealth	8,224	215,469
Essential Properties Realty Trust, Inc.	15,106	408,466
Farmland Partners, Inc.	6,202	74,734
Four Corners Property Trust, Inc.	15,993	441,567
Gladstone Land Corp.	5,610	134,977
Global Net Lease, Inc.	16,332	302,142
Healthcare Realty Trust, Inc.	18,757	566,461
Independence Realty Trust, Inc.	7,793	142,066
Kite Realty Group Trust	19,452	428,139
National Storage Affiliates Trust	53,181	2,688,831
New Senior Investment Group, Inc.	8,582	75,350
Potlatch Corp.	1,063	56,498
Preferred Apartment Communities, Inc. Class A	13,353	130,192
PS Business Parks, Inc.	13,389	1,982,643
QTS Realty Trust, Inc. Class A	3,720	287,556
RLJ Lodging Trust	112,190	1,708,654
Safehold, Inc.	2,485	195,073
Stag Industrial, Inc.	7,037	263,395
Sunstone Hotel Investors, Inc. (a)	126,307	1,568,733
Terreno Realty Corp.	25,405	1,639,131
The GEO Group, Inc. (b)	75,631	538,493
Xenia Hotels & Resorts, Inc. (a)	57,437	1,075,795
		<u>22,428,392</u>
<b>Real Estate Management &amp; Development – 1.4%</b>		
eXp World Holdings, Inc. (a) (b)	12,772	495,170
Gyrodyn LLC (a)	106	1,420
Kennedy-Wilson Holdings, Inc.	33,072	657,141
Marcus & Millichap, Inc. (a)	19,951	775,495
Newmark Group, Inc.	152,966	1,837,122
Rafael Holdings, Inc. (a)	899	45,894
RE/MAX Holdings, Inc.	9,840	327,967
Redfin Corp. (a)	3,800	240,958
The RMR Group, Inc.	31,055	1,199,965
		<u>5,581,132</u>
<b>TOTAL REAL ESTATE</b>		<u>28,009,524</u>
<b>UTILITIES – 1.4%</b>		
<b>Electric Utilities – 0.3%</b>		
Allete, Inc.	6,991	489,230
MGE Energy, Inc.	1,421	105,779
Otter Tail Corp.	12,366	603,584
PNM Resources, Inc.	3,034	147,968
		<u>1,346,561</u>
<b>Gas Utilities – 0.1%</b>		
New Jersey Resources Corp.	9,774	386,757
South Jersey Industries, Inc. (b)	4,912	127,368
		<u>514,125</u>

	Shares	Value
<b>Independent Power and Renewable Electricity Producers – 0.5%</b>		
Clearway Energy, Inc. Class A	60,945	\$ 1,537,033
Ormat Technologies, Inc. (b)	6,638	461,540
		<u>1,998,573</u>
<b>Multi-Utilities – 0.2%</b>		
Avista Corp.	8,042	343,152
Black Hills Corp.	3,572	234,430
NorthWestern Energy Corp.	937	56,426
		<u>634,008</u>
<b>Water Utilities – 0.3%</b>		
American States Water Co.	5,793	460,891
California Water Service Group	8,769	487,030
Consolidated Water Co., Inc. (b)	2,340	27,448
Middlesex Water Co.	4,548	371,708
		<u>1,347,077</u>
<b>TOTAL UTILITIES</b>		<u>5,840,344</u>
<b>TOTAL COMMON STOCKS</b>		
(Cost \$293,721,070)		<b>408,718,756</b>
<b>Nonconvertible Preferred Stocks – 0.0%</b>		
<b>INDUSTRIALS – 0.0%</b>		
<b>Trading Companies &amp; Distributors – 0.0%</b>		
WESCO International, Inc.	275	8,506
		<u>8,506</u>
<b>Money Market Funds – 8.1%</b>		
Fidelity Cash Central Fund 0.06% (d)	12,562,987	12,565,499
Fidelity Securities Lending Cash Central Fund 0.06% (d) (e)	21,780,803	21,782,981
		<u>34,348,480</u>
<b>TOTAL MONEY MARKET FUNDS</b>		<b>34,348,480</b>
(Cost \$34,348,480)		
<b>TOTAL INVESTMENT IN SECURITIES – 104.9%</b>		
(Cost \$328,076,838)		<b>443,075,742</b>
<b>NET OTHER ASSETS (LIABILITIES) – (4.9)%</b>		<b>(20,797,712)</b>
<b>NET ASSETS – 100%</b>		<b>\$422,278,030</b>

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

## Futures Contracts

### Purchased

#### Equity Index Contracts

CME E-mini Russell 2000 Index Contracts (United States)

Number of contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation/ (Depreciation)
120	Sept. 2021	\$13,846,800	\$ (60,062)	<u>\$ (60,062)</u>

The notional amount of futures purchased as a percentage of Net Assets is 3.3%

### Legend

- (a) Non-income producing
- (b) Security or a portion of the security is on loan at period end.
- (c) Level 3 security
- (d) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A

complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements are available on the SEC's website or upon request.

- (e) Investment made with cash collateral received from securities on loan.

### Affiliated Central Funds

Information regarding fiscal year to date income earned by the Fund from investments in Fidelity Central Funds is as follows:

Fund	Income earned
Fidelity Cash Central Fund	\$ 3,470
Fidelity Securities Lending Cash Central Fund	33,475
Total	<u>\$ 36,945</u>

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable. Amount for Fidelity Securities Lending Cash Central Fund represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities.

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

Fund	Value, beginning of period	Purchases	Sales Proceeds	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.06%	\$10,031,216	\$100,010,098	\$ 97,475,691	\$ (124)	\$—	\$12,565,499	0.0%
Fidelity Securities Lending Cash Central Fund 0.06%	16,845,599	70,603,774	65,666,392	—	—	21,782,981	0.1%
Total	<u>\$26,876,815</u>	<u>\$170,613,872</u>	<u>\$163,142,083</u>	<u>\$ (124)</u>	<u>\$—</u>	<u>\$34,348,480</u>	

### Investment Valuation

The following is a summary of the inputs used, as of June 30, 2021, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

#### Valuation Inputs at Reporting Date:

Description	Total	Level 1	Level 2	Level 3
<b>Investments in Securities:</b>				
<b>Equities:</b>				
Communication Services	\$ 11,057,370	\$ 11,057,370	\$ —	\$ —
Consumer Discretionary	56,252,383	56,252,383	—	—
Consumer Staples	9,839,980	9,839,980	—	—
Energy	17,361,349	17,361,349	—	—
Financials	65,931,969	65,931,969	—	—
Health Care	78,597,052	78,597,052	—	—
Industrials	65,041,812	65,041,812	—	—
Information Technology	54,044,965	54,044,965	—	—
Materials	16,750,514	16,750,514	—	—
Real Estate	28,009,524	28,009,524	—	—

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

## Schedule of Investments (Unaudited) – continued

Description	Valuation Inputs at Reporting Date:			
	Total	Level 1	Level 2	Level 3
Utilities	\$ 5,840,344	\$ 5,840,344	\$ —	\$ —
Money Market Funds	34,348,480	34,348,480	—	—
<b>Total Investments in Securities:</b>	<u>\$443,075,742</u>	<u>\$443,075,742</u>	<u>\$ —</u>	<u>\$ —</u>
<b>Derivative Instruments:</b>				
<b>Liabilities</b>				
Futures Contracts	\$ (60,062)	\$ (60,062)	\$ —	\$ —
<b>Total Liabilities</b>	<u>\$ (60,062)</u>	<u>\$ (60,062)</u>	<u>\$ —</u>	<u>\$ —</u>
<b>Total Derivative Instruments:</b>	<u>\$ (60,062)</u>	<u>\$ (60,062)</u>	<u>\$ —</u>	<u>\$ —</u>

### Value of Derivative Instruments

The following table is a summary of the Fund's value of derivative instruments by primary risk exposure as of June 30, 2021. For additional information on derivative instruments, please refer to the Derivative Instruments section in the accompanying Notes to Financial Statements.

Primary Risk Exposure / Derivative Type	Value	
	Asset	Liability
<b>Equity Risk</b>		
Futures Contracts (a)	\$0	\$ (60,062)
<b>Total Equity Risk</b>	0	(60,062)
<b>Total Value of Derivatives</b>	<u>\$0</u>	<u>\$ (60,062)</u>

(a) Reflects gross cumulative appreciation (depreciation) on futures contracts as presented in the Schedule of Investments. In the Statement of Assets and Liabilities, the period end daily variation margin is included in receivable or payable for daily variation margin on futures contracts, and the net cumulative appreciation (depreciation) is included in Total accumulated earnings (loss).

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

# Financial Statements

## Statement of Assets and Liabilities

		June 30, 2021 (Unaudited)
<b>Assets</b>		
Investment in securities, at value (including securities loaned of \$21,396,641) — See accompanying schedule:		
Unaffiliated issuers (cost \$293,728,358)	\$ 408,727,262	
Fidelity Central Funds (cost \$34,348,480)	<u>34,348,480</u>	
Total Investment in Securities (cost \$328,076,838)		\$ 443,075,742
Segregated cash with brokers for derivative instruments		721,500
Receivable for investments sold		5,540,708
Receivable for fund shares sold		1,057
Dividends receivable		184,982
Distributions receivable from Fidelity Central Funds		6,798
Receivable for daily variation margin on futures contracts		<u>19,924</u>
<b>Total assets</b>		<u>449,550,711</u>
<b>Liabilities</b>		
Payable for investments purchased	\$ 4,910,010	
Payable for fund shares redeemed	326,084	
Accrued management fee	156,426	
Distribution and service plan fees payable	4,146	
Other affiliated payables	58,970	
Other payables and accrued expenses	37,225	
Collateral on securities loaned	<u>21,779,820</u>	
<b>Total liabilities</b>		<u>27,272,681</u>
<b>Net Assets</b>		<u>\$ 422,278,030</u>
Net Assets consist of:		
Paid in capital		\$ 291,699,557
Total accumulated earnings (loss)		<u>130,578,473</u>
<b>Net Assets</b>		<u>\$ 422,278,030</u>
<b>Net Asset Value and Maximum Offering Price</b>		
<b>Initial Class:</b>		
Net Asset Value, offering price and redemption price per share (\$36,094,991 ÷ 1,731,968 shares)		<u>\$ 20.84</u>
<b>Service Class:</b>		
Net Asset Value, offering price and redemption price per share (\$307,884 ÷ 14,729 shares)		<u>\$ 20.90</u>
<b>Service Class 2:</b>		
Net Asset Value, offering price and redemption price per share (\$20,778,460 ÷ 995,962 shares)		<u>\$ 20.86</u>
<b>Investor Class:</b>		
Net Asset Value, offering price and redemption price per share (\$365,096,695 ÷ 17,608,570 shares)		<u>\$ 20.73</u>

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

## Financial Statements – continued

### Statement of Operations

		Six months ended June 30, 2021 (Unaudited)
<b>Investment Income</b>		
Dividends		\$ 1,614,007
Income from Fidelity Central Funds (including \$33,475 from security lending)		36,945
<b>Total income</b>		<u>1,650,952</u>
<b>Expenses</b>		
Management fee	\$ 871,159	
Transfer agent fees	251,828	
Distribution and service plan fees	22,823	
Accounting fees	75,307	
Custodian fees and expenses	18,595	
Independent trustees' fees and expenses	604	
Audit	24,761	
Legal	3,341	
Miscellaneous	582	
Total expenses before reductions	<u>1,269,000</u>	
Expense reductions	(26)	
Total expenses after reductions		<u>1,268,974</u>
<b>Net investment income (loss)</b>		<u>381,978</u>
<b>Realized and Unrealized Gain (Loss)</b>		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	22,458,280	
Fidelity Central Funds	(124)	
Futures contracts	<u>708,154</u>	
Total net realized gain (loss)		23,166,310
Change in net unrealized appreciation (depreciation) on:		
Investment securities:		
Unaffiliated issuers	41,900,680	
Futures contracts	<u>(334,811)</u>	
Total change in net unrealized appreciation (depreciation)		41,565,869
<b>Net gain (loss)</b>		<u>64,732,179</u>
<b>Net increase (decrease) in net assets resulting from operations</b>		<u>\$ 65,114,157</u>

### Statement of Changes in Net Assets

	Six months ended June 30, 2021 (Unaudited)	Year ended December 31, 2020
<b>Increase (Decrease) in Net Assets</b>		
<b>Operations</b>		
Net investment income (loss)	\$ 381,978	\$ 1,548,209
Net realized gain (loss)	23,166,310	332,313
Change in net unrealized appreciation (depreciation)	41,565,869	35,405,079
<b>Net increase (decrease) in net assets resulting from operations</b>	<u>65,114,157</u>	<u>37,285,601</u>
Distributions to shareholders	(385,520)	(1,649,388)
Share transactions — net increase (decrease)	62,946,115	(9,242,711)
<b>Total increase (decrease) in net assets</b>	<u>127,674,752</u>	<u>26,393,502</u>
<b>Net Assets</b>		
Beginning of period	294,603,278	268,209,776
End of period	<u>\$ 422,278,030</u>	<u>\$ 294,603,278</u>

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



# Financial Highlights

## VIP Disciplined Small Cap Portfolio Initial Class

	Six months ended (Unaudited) June 30,	Years ended December 31,				
	2021	2020	2019	2018	2017	2016
<b>Selected Per-Share Data</b>						
Net asset value, beginning of period	\$ 17.27	\$ 14.68	\$ 13.07	\$ 16.86	\$ 16.25	\$ 14.52
Income from Investment Operations						
Net investment income (loss) <sup>A</sup>	.03	.10	.15	.14	.11	.13
Net realized and unrealized gain (loss)	3.56	2.60	2.81	(2.20)	1.01	2.75
Total from investment operations	3.59	2.70	2.96	(2.06)	1.12	2.88
Distributions from net investment income	(.02)	(.11)	(.14)	(.14)	(.12)	(.09)
Distributions from net realized gain	—	—	(1.21)	(1.59)	(.40)	(1.06)
Total distributions	(.02)	(.11)	(1.35)	(1.73)	(.51) <sup>B</sup>	(1.15)
Net asset value, end of period	\$ 20.84	\$ 17.27	\$ 14.68	\$ 13.07	\$ 16.86	\$ 16.25
<b>Total Return</b> <sup>C,D,E</sup>	20.81%	18.45%	23.71%	(13.08)%	7.02%	22.68%
<b>Ratios to Average Net Assets</b> <sup>F,G</sup>						
Expenses before reductions	.57% <sup>H</sup>	.60%	.59%	.60%	.83%	.86%
Expenses net of fee waivers, if any	.57% <sup>H</sup>	.60%	.59%	.60%	.83%	.86%
Expenses net of all reductions	.57% <sup>H</sup>	.60%	.59%	.60%	.83%	.86%
Net investment income (loss)	.27% <sup>H</sup>	.77%	1.05%	.90%	.67%	.90%
<b>Supplemental Data</b>						
Net assets, end of period (000 omitted)	\$ 36,095	\$ 23,919	\$ 23,600	\$ 24,285	\$ 31,332	\$ 41,185
Portfolio turnover rate <sup>I</sup>	56% <sup>H</sup>	57%	77%	103%	103%	83%

<sup>A</sup> Calculated based on average shares outstanding during the period.

<sup>B</sup> Total distributions per share do not sum due to rounding.

<sup>C</sup> Total returns for periods of less than one year are not annualized.

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

<sup>E</sup> Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

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

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

<sup>H</sup> Annualized

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

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

## Financial Highlights – continued

### VIP Disciplined Small Cap Portfolio Service Class

	Six months ended (Unaudited) June 30,	Years ended December 31,				
	2021	2020	2019	2018	2017	2016
<b>Selected Per-Share Data</b>						
Net asset value, beginning of period	\$ 17.33	\$ 14.74	\$ 13.12	\$ 16.91	\$ 16.29	\$ 14.56
Income from Investment Operations						
Net investment income (loss) <sup>A</sup>	.02	.09	.13	.13	.09	.11
Net realized and unrealized gain (loss)	3.57	2.59	2.83	(2.21)	1.03	2.75
Total from investment operations	3.59	2.68	2.96	(2.08)	1.12	2.86
Distributions from net investment income	(.02)	(.09)	(.13)	(.12)	(.10)	(.07)
Distributions from net realized gain	—	—	(1.21)	(1.59)	(.40)	(1.06)
Total distributions	(.02)	(.09)	(1.34)	(1.71)	(.50)	(1.13)
Net asset value, end of period	\$ 20.90	\$ 17.33	\$ 14.74	\$ 13.12	\$ 16.91	\$ 16.29
<b>Total Return</b> <sup>B,C,D</sup>	20.78%	18.28%	23.59%	(13.13)%	6.97%	22.49%
<b>Ratios to Average Net Assets</b> <sup>E,F</sup>						
Expenses before reductions	.68% <sup>G</sup>	.70%	.69%	.70%	.93%	.96%
Expenses net of fee waivers, if any	.68% <sup>G</sup>	.70%	.69%	.70%	.93%	.96%
Expenses net of all reductions	.68% <sup>G</sup>	.70%	.69%	.70%	.93%	.96%
Net investment income (loss)	.17% <sup>G</sup>	.67%	.95%	.80%	.57%	.80%
<b>Supplemental Data</b>						
Net assets, end of period (000 omitted)	\$ 308	\$ 255	\$ 217	\$ 193	\$ 249	\$ 266
Portfolio turnover rate <sup>H</sup>	56% <sup>G</sup>	57%	77%	103%	103%	83%

<sup>A</sup> Calculated based on average shares outstanding during the period.

<sup>B</sup> Total returns for periods of less than one year are not annualized.

<sup>C</sup> Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

<sup>D</sup> Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

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

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

<sup>G</sup> Annualized

<sup>H</sup> Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).

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

## VIP Disciplined Small Cap Portfolio Service Class 2

	Six months ended (Unaudited) June 30,	Years ended December 31,				
	2021	2020	2019	2018	2017	2016
<b>Selected Per-Share Data</b>						
Net asset value, beginning of period	\$ 17.30	\$ 14.72	\$ 13.11	\$ 16.90	\$ 16.29	\$ 14.58
Income from Investment Operations						
Net investment income (loss) <sup>A</sup>	— <sup>B</sup>	.07	.11	.10	.07	.09
Net realized and unrealized gain (loss)	3.58	2.59	2.82	(2.20)	1.02	2.75
Total from investment operations	3.58	2.66	2.93	(2.10)	1.09	2.84
Distributions from net investment income	(.02)	(.08)	(.11)	(.10)	(.08)	(.07)
Distributions from net realized gain	—	—	(1.21)	(1.59)	(.40)	(1.06)
Total distributions	(.02)	(.08)	(1.32)	(1.69)	(.48)	(1.13)
Net asset value, end of period	\$ 20.86	\$ 17.30	\$ 14.72	\$ 13.11	\$ 16.90	\$ 16.29
<b>Total Return</b> <sup>C,D,E</sup>	20.68%	18.12%	23.37%	(13.29)%	6.79%	22.31%
<b>Ratios to Average Net Assets</b> <sup>F,G</sup>						
Expenses before reductions	.82% <sup>H</sup>	.85%	.84%	.85%	1.08%	1.11%
Expenses net of fee waivers, if any	.82% <sup>H</sup>	.85%	.84%	.85%	1.08%	1.11%
Expenses net of all reductions	.82% <sup>H</sup>	.85%	.84%	.85%	1.08%	1.11%
Net investment income (loss)	.03% <sup>H</sup>	.52%	.80%	.65%	.42%	.65%
<b>Supplemental Data</b>						
Net assets, end of period (000 omitted)	\$ 20,778	\$ 13,720	\$ 9,767	\$ 6,823	\$ 7,881	\$ 6,403
Portfolio turnover rate <sup>I</sup>	56% <sup>H</sup>	57%	77%	103%	103%	83%

<sup>A</sup> Calculated based on average shares outstanding during the period.

<sup>B</sup> Amount represents less than \$.005 per share.

<sup>C</sup> Total returns for periods of less than one year are not annualized.

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

<sup>E</sup> Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

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

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

<sup>H</sup> Annualized

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

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

## Financial Highlights – continued

### VIP Disciplined Small Cap Portfolio Investor Class

	Six months ended (Unaudited) June 30,	Years ended December 31,				
	2021	2020	2019	2018	2017	2016
<b>Selected Per-Share Data</b>						
Net asset value, beginning of period	\$ 17.18	\$ 14.61	\$ 13.02	\$ 16.79	\$ 16.19	\$ 14.48
Income from Investment Operations						
Net investment income (loss) <sup>A</sup>	.02	.09	.13	.13	.09	.11
Net realized and unrealized gain (loss)	3.55	2.58	2.80	(2.19)	1.01	2.74
Total from investment operations	3.57	2.67	2.93	(2.06)	1.10	2.85
Distributions from net investment income	(.02)	(.10)	(.13)	(.12)	(.10)	(.08)
Distributions from net realized gain	—	—	(1.21)	(1.59)	(.40)	(1.06)
Total distributions	(.02)	(.10)	(1.34)	(1.71)	(.50)	(1.14)
Net asset value, end of period	\$ 20.73	\$ 17.18	\$ 14.61	\$ 13.02	\$ 16.79	\$ 16.19
<b>Total Return</b> <sup>B,C,D</sup>	20.79%	18.33%	23.55%	(13.09)%	6.91%	22.54%
<b>Ratios to Average Net Assets</b> <sup>E,F</sup>						
Expenses before reductions	.65% <sup>G</sup>	.67%	.67%	.68%	.91%	.94%
Expenses net of fee waivers, if any	.65% <sup>G</sup>	.67%	.67%	.68%	.91%	.94%
Expenses net of all reductions	.65% <sup>G</sup>	.67%	.67%	.68%	.91%	.94%
Net investment income (loss)	.20% <sup>G</sup>	.70%	.97%	.82%	.59%	.82%
<b>Supplemental Data</b>						
Net assets, end of period (000 omitted)	\$ 365,097	\$ 256,709	\$ 234,625	\$ 213,119	\$ 251,217	\$ 263,763
Portfolio turnover rate <sup>H</sup>	56% <sup>G</sup>	57%	77%	103%	103%	83%

<sup>A</sup> Calculated based on average shares outstanding during the period.

<sup>B</sup> Total returns for periods of less than one year are not annualized.

<sup>C</sup> Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

<sup>D</sup> Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

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

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

<sup>G</sup> Annualized

<sup>H</sup> Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).

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

# Notes to Financial Statements (Unaudited)

For the period ended June 30, 2021

## 1. Organization.

VIP Disciplined Small Cap Portfolio (the Fund) is a fund of Variable Insurance Products Fund II (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares, Service Class 2 shares and Investor Class shares.

## 2. Investments in Fidelity Central Funds.

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

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

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices	Expense Ratio <sup>(a)</sup>
Fidelity Money Market Central Funds	Fidelity Management & Research Company LLC (FMR)	Each fund seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term Investments	Less than .005% to .01%

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

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

## 3. Significant Accounting Policies.

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

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

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

Level 1 — quoted prices in active markets for identical investments

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

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

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

Equity securities, including restricted securities, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by a third party pricing vendor on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price or may be valued using the last available price and are generally categorized as Level 2 in the hierarchy. For foreign equity securities, when market or security specific events arise, comparisons to the valuation of American Depositary Receipts (ADRs), futures contracts, Exchange-Traded Funds (ETFs) and certain indexes as well as quoted prices for similar securities may be used and would be categorized as Level 2 in the hierarchy. For equity securities, including restricted securities, where observable inputs are limited, assumptions about market activity and risk are used and these securities may be categorized as Level 3 in the hierarchy.

Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded and are categorized as Level 1 in the hierarchy. Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

## Notes to Financial Statements (Unaudited) – continued

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The aggregate value of investments by input level as of June 30, 2021 is included at the end of the Fund's Schedule of Investments.

**Investment Transactions and Income.** For financial reporting purposes, the Fund's investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost and include proceeds received from litigation. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Income and capital gain distributions from Fidelity Central Funds, if any, are recorded on the ex-dividend date. Certain distributions received by the Fund represent a return of capital or capital gain. The Fund determines the components of these distributions subsequent to the ex-dividend date, based upon receipt of tax filings or other correspondence relating to the underlying investment. These distributions are recorded as a reduction of cost of investments and/or as a realized gain.

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

**Income Tax Information and Distributions to Shareholders.** Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction.

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

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

Book-tax differences are primarily due to futures contracts, partnerships, passive foreign investment companies (PFIC), market discount, capital loss carryforwards and losses deferred due to wash sales.

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

Gross unrealized appreciation	\$ 126,923,003
Gross unrealized depreciation	(13,663,640)
Net unrealized appreciation (depreciation)	<u>\$ 113,259,363</u>
Tax cost	<u>\$ 329,816,379</u>

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

No expiration	
Short-term	<u>\$ (6,675,645)</u>

## 4. Derivative Instruments.

**Risk Exposures and the Use of Derivative Instruments.** The Fund's investment objective allows the Fund to enter into various types of derivative contracts, including futures contracts. Derivatives are investments whose value is primarily derived from underlying assets, indices or reference rates and may be transacted on an exchange or over-the-counter (OTC). Derivatives may involve a future commitment to buy or sell a specified asset based on specified terms, to exchange future cash flows at periodic intervals based on a notional principal amount, or for one party to make one or more payments upon the occurrence of specified events in exchange for periodic payments from the other party.

The Fund used derivatives to increase returns and to manage exposure to certain risks as defined below. The success of any strategy involving derivatives depends on analysis of numerous economic factors, and if the strategies for investment do not work as intended, the Fund may not achieve its objectives.

The Fund's use of derivatives increased or decreased its exposure to the following risk:

**Equity Risk** Equity risk relates to the fluctuations in the value of financial instruments as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

The Fund is also exposed to additional risks from investing in derivatives, such as liquidity risk and counterparty credit risk. Liquidity risk is the risk that the Fund will be unable to close out the derivative in the open market in a timely manner. Counterparty credit risk is the risk that the counterparty will not be able to fulfill its obligation to the Fund. Counterparty credit risk related to exchange-traded futures contracts may be mitigated by the protection provided by the exchange on which they trade.

Investing in derivatives may involve greater risks than investing in the underlying assets directly and, to varying degrees, may involve risk of loss in excess of any initial investment and collateral received and amounts recognized in the Statement of Assets and Liabilities. In addition, there may be the risk that the change in value of the derivative contract does not correspond to the change in value of the underlying instrument.

**Futures Contracts.** A futures contract is an agreement between two parties to buy or sell a specified underlying instrument for a fixed price at a specified future date. The Fund used futures contracts to manage its exposure to the stock market.

Upon entering into a futures contract, a fund is required to deposit either cash or securities (initial margin) with a clearing broker in an amount equal to a certain percentage of the face value of the contract. Futures contracts are marked-to-market daily and subsequent daily payments (variation margin) are made or received by a fund depending on the daily fluctuations in the value of the futures contracts and are recorded as unrealized appreciation or (depreciation). This receivable and/or payable, if any, is included in daily variation margin on futures contracts in the Statement of Assets and Liabilities. Realized gain or (loss) is recorded upon the expiration or closing of a futures contract. The net realized gain (loss) and change in net unrealized appreciation (depreciation) on futures contracts during the period is presented in the Statement of Operations.

Any open futures contracts at period end are presented in the Schedule of Investments under the caption "Futures Contracts". The notional amount at value reflects each contract's exposure to the underlying instrument or index at period end and is representative of volume of activity during the period. Cash deposited to meet initial margin requirements is presented as segregated cash with brokers for derivative instruments in the Statement of Assets and Liabilities.

## 5. Purchases and Sales of Investments.

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

	Purchases (\$)	Sales (\$)
VIP Disciplined Small Cap Portfolio	162,920,405	103,031,078

## 6. Fees and Other Transactions with Affiliates.

**Management Fee.** Fidelity Management & Research Company LLC (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee that is based on an annual rate of .45% of the Fund's average net assets.

**Sub-Adviser.** Geode Capital Management, LLC (Geode), serves as sub-adviser for the Fund. Geode provides discretionary investment advisory services to the Fund and is paid by the investment adviser for providing these services.

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

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

Service Class	\$ 146
Service Class 2	22,677
	<u>\$22,823</u>

**Transfer Agent Fees.** Fidelity Investments Institutional Operations Company LLC (FIIOC), an affiliate of the investment adviser, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class pays a fee for transfer agent services, typesetting and printing and mailing of shareholder reports, excluding mailing of proxy statements. For the period, transfer agent fees for each class were as follows:

## Notes to Financial Statements (Unaudited) – continued

	Amount	% of Class-Level Average Net Assets <sup>(a)</sup>
Initial Class	\$ 10,593	.06
Service Class	93	.06
Service Class 2	5,772	.06
Investor Class	<u>235,370</u>	.14
	<u>\$251,828</u>	

(a) Annualized

**Accounting Fees.** Fidelity Service Company, Inc. (FSC), an affiliate of the investment adviser, maintains the Fund's accounting records. The accounting fee is based on the level of average net assets for each month. For the period, the fees were equivalent to the following annualized rates:

	% of Average Net Assets
VIP Disciplined Small Cap Portfolio	.04

**Interfund Trades.** Funds may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Any interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note.

### 7. Committed Line of Credit.

Certain Funds participate with other funds managed by the investment adviser or an affiliate in a \$4.25 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The participating funds have agreed to pay commitment fees on their pro-rata portion of the line of credit, which are reflected in Miscellaneous expenses on the Statement of Operations, and are listed below. During the period, there were no borrowings on this line of credit.

	Amount
VIP Disciplined Small Cap Portfolio	\$309

### 8. Security Lending.

Funds lend portfolio securities from time to time in order to earn additional income. Lending agents are used, including National Financial Services (NFS), an affiliate of the investment adviser. Pursuant to a securities lending agreement, NFS will receive a fee, which is capped at 9.9% of a fund's daily lending revenue, for its services as lending agent. A fund may lend securities to certain qualified borrowers, including NFS. On the settlement date of the loan, a fund receives collateral (in the form of U.S. Treasury obligations, letters of credit and/or cash) against the loaned securities and maintains collateral in an amount not less than 100% of the market value of the loaned securities during the period of the loan. The market value of the loaned securities is determined at the close of business of a fund and any additional required collateral is delivered to a fund on the next business day. A fund or borrower may terminate the loan at any time, and if the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, a fund may apply collateral received from the borrower against the obligation. A fund may experience delays and costs in recovering the securities loaned. Any cash collateral received is invested in the Fidelity Securities Lending Cash Central Fund. Any loaned securities are identified as such in the Schedule of Investments, and the value of loaned securities and cash collateral at period end, as applicable, are presented in the Statement of Assets and Liabilities. Security lending income represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds. Affiliated security lending activity, if any, was as follows:

	Total Security Lending Fees Paid to NFS	Security Lending Income From Securities Loaned to NFS	Value of Securities Loaned to NFS at Period End
VIP Disciplined Small Cap Portfolio	\$3,435	\$942	\$—

### 9. Expense Reductions.

Through arrangements with the Fund's custodian, credits realized as a result of certain uninvested cash balances were used to reduce the Fund's expenses. During the period, custodian credits reduced the Fund's expenses by \$26.

### 10. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:



	Six months ended June 30, 2021	Year ended December 31, 2020
<b>VIP Disciplined Small Cap Portfolio</b>		
<b>Distributions to shareholders</b>		
Initial Class	\$ 36,223	\$ 153,194
Service Class	295	1,370
Service Class 2	14,160	58,739
Investor Class	334,842	1,436,085
Total	<u>\$385,520</u>	<u>\$1,649,388</u>

## 11. Share Transactions.

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

	Shares Six months ended June 30, 2021	Shares Year ended December 31, 2020	Dollars Six months ended June 30, 2021	Dollars Year ended December 31, 2020
<b>VIP Disciplined Small Cap Portfolio</b>				
<b>Initial Class</b>				
Shares sold	629,731	278,689	\$ 12,287,895	\$ 3,962,032
Reinvestment of distributions	1,859	9,968	36,223	153,194
Shares redeemed	(284,787)	(510,895)	(5,656,159)	(6,725,154)
Net increase (decrease)	<u>346,803</u>	<u>(222,238)</u>	<u>\$ 6,667,959</u>	<u>\$ (2,609,928)</u>
<b>Service Class 2</b>				
Shares sold	324,113	391,785	\$ 6,417,088	\$ 5,230,013
Reinvestment of distributions	725	3,799	14,160	58,739
Shares redeemed	(121,835)	(266,088)	(2,365,946)	(3,733,957)
Net increase (decrease)	<u>203,003</u>	<u>129,496</u>	<u>\$ 4,065,302</u>	<u>\$ 1,554,795</u>
<b>Investor Class</b>				
Shares sold	4,091,984	1,663,146	\$ 80,259,570	\$ 24,985,449
Reinvestment of distributions	17,269	93,941	334,842	1,436,085
Shares redeemed	(1,438,836)	(2,873,981)	(28,381,558)	(34,609,112)
Net increase (decrease)	<u>2,670,417</u>	<u>(1,116,894)</u>	<u>\$ 52,212,854</u>	<u>\$ (8,187,578)</u>

## 12. Other.

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

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

Fund	Affiliated %
VIP: Disciplined Small Cap Portfolio	94%

## 13. Coronavirus (COVID-19) Pandemic.

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

# Shareholder Expense Example

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

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (January 1, 2021 to June 30, 2021).

## Actual Expenses

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

## Hypothetical Example for Comparison Purposes

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

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	Annualized Expense Ratio- <sup>A</sup>	Beginning Account Value January 1, 2021	Ending Account Value June 30, 2021	Expenses Paid During Period- <sup>B</sup> January 1, 2021 to June 30, 2021
VIP Disciplined Small Cap Portfolio				
Initial Class	.57%			
Actual		\$1,000.00	\$1,208.10	\$3.12
Hypothetical- <sup>C</sup>		\$1,000.00	\$1,021.97	\$2.86
Service Class	.68%			
Actual		\$1,000.00	\$1,207.80	\$3.72
Hypothetical- <sup>C</sup>		\$1,000.00	\$1,021.42	\$3.41
Service Class 2	.82%			
Actual		\$1,000.00	\$1,206.80	\$4.49
Hypothetical- <sup>C</sup>		\$1,000.00	\$1,020.73	\$4.11
Investor Class	.65%			
Actual		\$1,000.00	\$1,207.90	\$3.56
Hypothetical- <sup>C</sup>		\$1,000.00	\$1,021.57	\$3.26

<sup>A</sup> Annualized expense ratio reflects expenses net of applicable fee waivers.

<sup>B</sup> Expenses are equal to the annualized expense ratio, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period). The fees and expenses of any Underlying Funds are not included in each annualized expense ratio.

<sup>C</sup> 5% return per year before expenses

# Board Approval of Investment Advisory Contracts and Management Fees

## VIP Disciplined Small Cap Portfolio

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

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

**Approval of Stub Period Continuation.** At its January 2021 meeting, the Board of Trustees voted to continue the fund's management contract with FMR, and the sub-advisory agreements and sub-subadvisory agreements, in each case, where applicable (together, the Advisory Contracts), without modification, for four months from February 1, 2021 through May 31, 2021, in connection with changes to the Board's meeting calendar. The Board considered that the approval of the fund's Advisory Contracts will not result in any changes in (i) the investment process or strategies employed in the management of the fund's assets; (ii) the fees and expenses paid by shareholders; (iii) the nature, extent or quality of services provided under the fund's Advisory Contracts; or (iv) the day-to-day management of the fund or the persons primarily responsible for such management. The Board also considered that since its last approval of the fund's Advisory Contracts, FMR had provided additional information on the fund in support of the annual contract renewal process, including competitive analyses on total expenses and management fees and in-depth reviews of fund performance and fund profitability information. The Board also considered the findings of certain ad hoc committees that had been previously formed to discuss matters relevant to all of the Fidelity funds, including economies of scale, fall-out benefits and retail vs. institutional funds. The Board concluded that the fund's Advisory Contracts are fair and reasonable, and that the fund's Advisory Contracts should be renewed, without modification, through May 31, 2021, with the understanding that the Board will consider the annual renewal for a full one year period in May 2021.

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

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

**Nature, Extent, and Quality of Services Provided.** The Board considered staffing as it relates to the fund, including the backgrounds of investment personnel of Fidelity and Geode, and also considered the fund's investment objective, strategies, and related investment philosophy. The Independent Trustees also had discussions with senior management of Fidelity's investment operations and investment groups and with senior management of Geode. The Board considered the structure of the investment personnel compensation programs and whether the structures provide appropriate incentives to act in the best interests of the fund. Additionally, the Board considered the portfolio managers' investments, if any, in the funds that they manage.

The Trustees also discussed with representatives of Fidelity, at meetings throughout the year, Fidelity's role in, among other things, overseeing compliance with federal securities laws and other applicable requirements by Geode with respect to the fund and monitoring and overseeing the performance and investment capabilities of Geode. The Trustees considered that the Board had received from Fidelity periodic reports about its oversight and due diligence processes, as well as periodic reports regarding the performance of Geode.

The Board also considered the nature, extent and quality of services provided by Geode. The Trustees noted that under the Sub-Advisory Agreement, subject to oversight by Fidelity, Geode is responsible for, among other things, identifying investments and arranging for execution of portfolio transactions to implement the fund's investment strategy. In addition, the Trustees noted that Geode is responsible for providing such reporting as may be requested by Fidelity to fulfill its oversight responsibilities discussed above.

**Resources Dedicated to Investment Management and Support Services.** The Board and the Fund Oversight and Research Committees reviewed the general qualifications and capabilities of Fidelity's and Geode's investment staffs, including their size, education, experience, and resources, as well as Fidelity's and Geode's approach to recruiting, training, managing, and compensating investment personnel. The Board considered that Fidelity's and Geode's investment professionals have extensive resources, tools and capabilities so as to provide competitive investment results over time, and that those professionals also have access to sophisticated tools that permit them to assess portfolio construction and risk and performance attribution characteristics continuously. Additionally, in its deliberations, the Board considered Fidelity's and Geode's trading, risk management, compliance, and technology and operations capabilities and resources, which are integral parts of the investment management process. The Board also considered Fidelity's and Geode's investments in business continuity planning, and their success in continuously providing services to the fund notwithstanding the severe disruptions caused by the COVID-19 pandemic.

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

## Board Approval of Investment Advisory Contracts and Management Fees – continued

compliance with, the fund's compliance policies and procedures. The Board also reviewed the allocation of fund brokerage, including allocations to brokers affiliated with the Investment Advisers, the use of brokerage commissions to pay fund expenses, and the use of "soft" commission dollars to pay for research services.

The Board noted that the growth of fund assets over time across the complex allows Fidelity to reinvest in the development of services designed to enhance the value and convenience of the Fidelity funds as investment vehicles. These services include 24-hour access to account information and market information over the Internet and through telephone representatives, investor education materials and asset allocation tools, and the expanded availability of Fidelity Investor Centers.

The Board noted that, in the past, it and the boards of certain other Fidelity funds had formed an ad hoc Committee on Transfer Agency Fees to review the variety of transfer agency fee structures throughout the industry and Fidelity's competitive positioning with respect to industry participants.

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

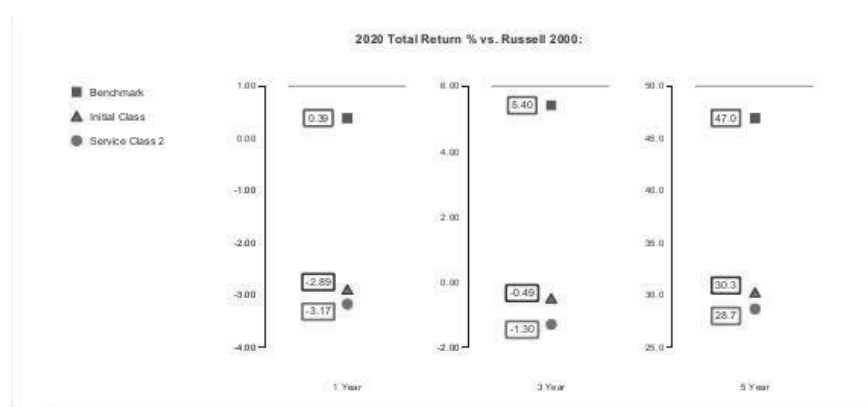
Investment Performance. The Board considered whether the fund has operated in accordance with its investment objective, as well as its record of compliance with its investment restrictions and its performance history.

The Board took into account discussions that occur at Board meetings throughout the year with representatives of the Investment Advisers about fund investment performance. In this regard the Board noted that as part of regularly scheduled fund reviews and other reports to the Board on fund performance, the Board considers annualized return information for the fund for different time periods, measured against an appropriate securities market index (benchmark index). In its evaluation of fund investment performance, the Board gave particular attention to information indicating changes in performance of certain Fidelity funds for specific time periods and discussed with the Investment Advisers the reasons for any overperformance or underperformance.

In addition to reviewing absolute and relative fund performance, the Independent Trustees periodically consider the appropriateness of fund performance metrics in evaluating the results achieved. In general, the Independent Trustees believe that fund performance should be evaluated based on net performance (after fees and expenses) of both the highest performing and lowest performing fund share classes, where applicable, compared to appropriate benchmark indices, over appropriate time periods that may include full market cycles, and compared to peer groups, as applicable, over the same periods, taking into account relevant factors including the following: general market conditions; issuer-specific information; and fund cash flows and other factors.

The Independent Trustees recognize that shareholders evaluate performance on a net basis over their own holding periods, for which one-, three-, and five-year periods are often used as a proxy. For this reason, the performance information reviewed by the Board also included net cumulative total return information for the fund and an appropriate benchmark index for the most recent one-, three-, and five-year periods ended September 30, 2020, as shown below. A peer group is not shown below because the fund does not generally utilize a peer group for performance comparison purposes.

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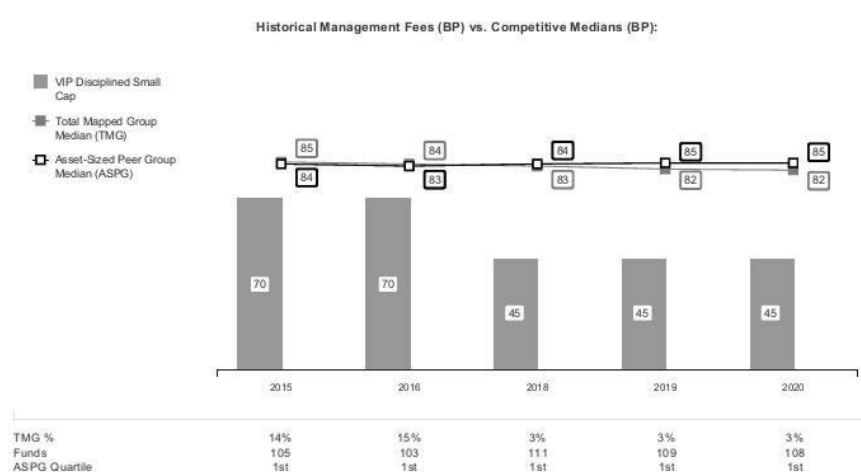
The Board considered the fund's underperformance for different time periods ended September 30, 2020 (which periods are reflected in the chart above). The Board's discussions with FMR regarding underperformance cover topics including, but not limited to: the longer-term track record of a fund's portfolio manager(s); broader trends in the market that may adversely impact a fund's performance; attribution reports on contributors to the fund's underperformance; and the applicable portfolio manager's explanation of his or her underperformance. The Board engages with FMR on steps that might be taken to address a fund's underperformance.

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

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

**Management Fee.** The Board considered two proprietary management fee comparisons for the 12-month periods ended September 30 (June 30 for periods ended 2019 and 2018 and December 31 for periods prior to 2018) shown in basis points (BP) in the chart below. The group of Lipper funds used by the Board for management fee comparisons is referred to below as the "Total Mapped Group." The Total Mapped Group comparison focuses on a fund's standing in terms of gross management fees before expense reimbursements or caps relative to the total universe of funds with comparable investment mandates, regardless of whether their management fee structures also are comparable. Funds with comparable investment mandates offer exposure to similar types of securities. Funds with comparable management fee structures have similar management fee contractual arrangements (e.g., flat rate charged for advisory services, all-inclusive fee rate, etc.). "TMG %" represents the percentage of funds in the Total Mapped Group that had management fees that were lower than the fund's. For example, a hypothetical TMG % of 20% would mean that 80% of the funds in the Total Mapped Group had higher, and 20% had lower, management fees than the fund. The fund's actual TMG %s and the number of funds in the Total Mapped Group are in the chart below. The "Asset-Sized Peer Group" (ASPG) comparison focuses on a fund's standing relative to a subset of non-Fidelity funds within the Total Mapped Group that are similar in size and management fee structure. For example, if a fund is in the first quartile of the ASPG, the fund's management fee ranks in the least expensive or lowest 25% of funds in the ASPG. The ASPG represents at least 15% of the funds in the Total Mapped Group with comparable asset size and management fee structures, subject to a minimum of 50 funds (or all funds in the Total Mapped Group if fewer than 50). Additional information, such as the ASPG quartile in which the fund's management fee rate ranked, is also included in the chart and was considered by the Board.

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The Board noted that the fund's management fee rate ranked below the median of its Total Mapped Group and below the median of its ASPG for the 12-month period ended September 30, 2020.

The Board noted that, in the past, it and the boards of other Fidelity funds had formed an ad hoc Committee on Group Fee to conduct an in-depth review of the "group fee" component of the management fee of funds with such management fee structures. The Committee's focus included the mechanics of the group fee, the competitive landscape of group fee structures, Fidelity funds with no group fee component (such as the fund) and investment products not included in group fee assets. The Board also considered that, for funds subject to the group fee, FMR agreed to voluntarily waive fees over a specified period of time in amounts designed to account for assets converted from certain funds to certain collective investment trusts.

The Board also noted that, in 2013, the ad hoc Committee on Management Fees was formed to conduct an in-depth review of the management fee rates of Fidelity's active equity mutual funds. The Committee focused on the following areas: (i) standard fee structures; (ii) research consumption and trading evolution; (iii) management fee competitiveness/profitability by category; and (iv) factors that drive institutional pricing.

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

**Total Expense Ratio.** In its review of each class's total expense ratio, the Board considered the fund's management fee rate as well as other fund or class expenses, as applicable, such as transfer agent fees, pricing and bookkeeping fees, fund-paid 12b-1 fees, and custodial, legal, and audit fees. The Board also noted that Fidelity may agree to waive fees or reimburse expenses from time to time, and the extent to which, if any, it has done so for the fund. As part of its review, the Board also considered the current and historical total expense ratios of each class of the fund compared to competitive fund median expenses. The fund's representative class is compared to those funds and classes in the Total Mapped Group (used by the Board for management fee comparisons) that have a similar sales load structure (SLTG). The Board also considered a total expense ASPG comparison for the representative class, which focuses on the total expenses of the representative class relative to a subset of non-Fidelity funds within the total expense SLTG. The total expense ASPG is limited to 15 larger and 15 smaller classes in fund average assets for a total of 30 classes, where possible. The total expense ASPG comparison excludes performance adjustments and fund-paid 12b-1 fees to eliminate variability in fee structures.

The Board noted that the total expense ratio of Initial Class ranked below the SLTG competitive median and below the ASPG competitive median for the 12-month period ended September 30, 2020.

## Board Approval of Investment Advisory Contracts and Management Fees – continued

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

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

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

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

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

The Board also reviewed Fidelity's non-fund businesses and potential indirect benefits such businesses may have received as a result of their association with Fidelity's mutual fund business (i.e., fall-out benefits) as well as cases where Fidelity's affiliates may benefit from the funds' business. The Board considered areas where potential indirect benefits to the Fidelity funds from their relationships with Fidelity may exist. The Board also considered that in 2019 a joint ad hoc committee created by it and the boards of other Fidelity funds evaluated potential fall-out benefits (PFOB Committee). The Board noted that it considered the PFOB Committee's findings in connection with its consideration of the renewal of the Advisory Contracts.

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

The Board also considered information regarding the profitability of Geode's relationship with the fund.

**Economies of Scale.** The Board considered whether there have been economies of scale in respect of the management of the Fidelity funds, whether the Fidelity funds (including the fund) have appropriately benefited from any such economies of scale, and whether there is potential for realization of any further economies of scale. The Board considered the extent to which the fund will benefit from economies of scale as assets grow through increased services to the fund, through waivers or reimbursements, or through fee or expense ratio reductions. The Board also noted that a committee (the Economies of Scale Committee) created by it and the boards of other Fidelity funds periodically analyzes whether Fidelity attains economies of scale in respect of the management and servicing of the Fidelity funds, whether the Fidelity funds have appropriately benefited from such economies of scale, and whether there is potential for realization of any further economies of scale.

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

**Additional Information Requested by the Board.** In order to develop fully the factual basis for consideration of the Fidelity funds' advisory contracts, the Board requested and received additional information on certain topics, including: (i) fund flow and performance trends, in particular the underperformance of certain funds and strategies, and Fidelity's long-term strategies for certain funds; (ii) consideration of expanding the use of performance fees for additional funds; (iii) Fidelity's pricing philosophy compared to competitors; (iv) metrics for evaluating index fund and ETF performance and information about ETF trading characteristics; (v) the methodology with respect to evaluating competitive fund data and peer group classifications and fee and expense comparisons; (vi) the expense structures for different funds and classes and information about the differences between various expense structures; (vii) group fee breakpoints; (viii) information regarding other accounts managed by Fidelity and sub-advisory arrangements; and (ix) Fidelity's philosophies and strategies for evaluating funds and classes with lower or declining asset levels.

Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board concluded that the advisory and sub-advisory fee arrangements are fair and reasonable, and that the fund's Advisory Contracts should be renewed.

# Liquidity Risk Management Program

The Securities and Exchange Commission adopted Rule 22e-4 under the Investment Company Act of 1940 (the Liquidity Rule) to promote effective liquidity risk management throughout the open-end investment company industry, thereby reducing the risk that funds will be unable to meet their redemption obligations and mitigating dilution of the interests of fund shareholders.

The Fund has adopted and implemented a liquidity risk management program pursuant to the Liquidity Rule (the Program) effective December 1, 2018. The Program is reasonably designed to assess and manage the Fund's liquidity risk and to comply with the requirements of the Liquidity Rule. The Fund's Board of Trustees (the Board) has designated the Fund's investment adviser as administrator of the Program. The Fidelity advisers have established a Liquidity Risk Management Committee (the LRM Committee) to manage the Program for each of the Fidelity Funds. The LRM Committee monitors the adequacy and effectiveness of implementation of the Program and on a periodic basis assesses each Fund's liquidity risk based on a variety of factors including (1) the Fund's investment strategy, (2) portfolio liquidity and cash flow projections during normal and reasonably foreseeable stressed conditions, (3) shareholder redemptions, (4) borrowings and other funding sources and (5) in the case of exchange-traded funds, certain additional factors including the effect of the Fund's prices and spreads, market participants, and basket compositions on the overall liquidity of the Fund's portfolio, as applicable.

In accordance with the Program, each of the Fund's portfolio investments is classified into one of four liquidity categories described below based on a determination of a reasonable expectation for how long it would take to convert the investment to cash (or sell or dispose of the investment) without significantly changing its market value.

- Highly liquid investments — cash or convertible to cash within three business days or less
- Moderately liquid investments — convertible to cash in three to seven calendar days
- Less liquid investments — can be sold or disposed of, but not settled, within seven calendar days
- Illiquid investments — cannot be sold or disposed of within seven calendar days

Liquidity classification determinations take into account a variety of factors including various market, trading and investment-specific considerations, as well as market depth, and generally utilize analysis from a third-party liquidity metrics service.

The Liquidity Rule places a 15% limit on a fund's illiquid investments and requires funds that do not primarily hold assets that are highly liquid investments to determine and maintain a minimum percentage of the fund's net assets to be invested in highly liquid investments (highly liquid investment minimum or HLIM). The Program includes provisions reasonably designed to comply with the 15% limit on illiquid investments and for determining, periodically reviewing and complying with the HLIM requirement as applicable.

At a recent meeting of the Fund's Board of Trustees, the LRM Committee provided a written report to the Board pertaining to the operation, adequacy, and effectiveness of implementation of the Program for the annual period from December 1, 2019 through November 30, 2020. The report concluded that the Program has been implemented and is operating effectively and is reasonably designed to assess and manage the Fund's liquidity risk.

