

**STATEMENT OF ADDITIONAL INFORMATION**  
**ALLIANZ HIGH FIVE<sup>SM</sup> VARIABLE ANNUITY CONTRACT**  
**INDIVIDUAL FLEXIBLE PURCHASE PAYMENT VARIABLE DEFERRED ANNUITY CONTRACT**

**Issued by**

**ALLIANZ LIFE<sup>®</sup> VARIABLE ACCOUNT B (the Separate Account) and**

**ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA (Allianz Life, we, us, our)**

This Statement of Additional Information (SAI) is incorporated by reference into the prospectus that has been filed as Part A of the Registration Statement. This SAI should be read in conjunction with the prospectus. Definitions of capitalized terms can be found in the glossary of the prospectus. The prospectus is incorporated in this SAI by reference.

The prospectus contains important information about the Contract and Allianz Life that you ought to know before investing. For a copy of the Contract's prospectus, call or write us at:

**Allianz Life Insurance Company of North America**

P. O. Box 561  
Minneapolis, MN 55440-0561  
(800) 624-0197

Dated: April 30, 2021

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## ALLIANZ LIFE

Allianz Life is a stock life insurance company organized under the laws of the state of Minnesota in 1896. Allianz Life is a subsidiary of Allianz of America, Inc. (AZOA), a financial holding company. AZOA is a subsidiary of Allianz SE, a provider of integrated financial services. Allianz SE is headquartered in Munich, Germany, and has sales outlets throughout the world. We offer fixed and registered index-linked annuities and individual life insurance.

Allianz Life does not have a separate custodian for the assets owned through the Separate Account. Most mutual fund shares are not in certificated form, and as such, Allianz Life in effect acts as self custodian for the non-certificated shares we own through the Separate Account.

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## EXPERTS

The financial statements of the subaccounts of Allianz Life Variable Account B of Allianz Life Insurance Company of North America as of December 31, 2020 and 2019 and for each of the two years in the period ended December 31, 2020 included in Appendix C of this SAI have been so included in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The statutory statements of Allianz Life Insurance Company of North America incorporated in Part C of this Registration Statement by reference to Post-Effective Amendment No. 22 to Registrant’s Form N-4 (File No. 333-182987) filed with the SEC for the year ended December 31, 2020 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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## LEGAL OPINIONS

Stewart D. Gregg, Senior Securities Counsel of Allianz Life, has provided legal advice on certain matters in connection with the issuance of the Contracts.

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## DISTRIBUTOR

Allianz Life Financial Services, LLC (ALFS), a wholly owned subsidiary of Allianz Life Insurance Company of North America, acts as the distributor of the contracts.

ALFS sells annuity contracts issued by Allianz Life primarily through “wholesaling,” in which ALFS sells contracts through a large group of mostly non-affiliated broker/dealer firms. Currently, ALFS has agreements with approximately 705 retail broker/dealers to sell its contracts.

We pay commissions for the sale of our products. ALFS passes through most of the commissions it receives to the selling firms. ALFS received commissions for contracts issued under Allianz Life Variable Account B in the following amounts during the last three calendar years:

<b>Calendar Year</b>	<b>Aggregate Amount of Commissions Paid to ALFS</b>	<b>Aggregate Amount of Commissions Retained by ALFS After Payments to Selling Firms</b>
2018	\$221,519,279.49	\$0
2019	\$284,788,589.36	\$0
2020	\$319,676,842.37	\$0

As described in the prospectus, ALFS may pay marketing support payments to certain third-party firms for marketing our contracts. Currently, ALFS makes marketing support payments to approximately 58 broker-dealer firms and one insurance

agency. These payments vary in amount. In 2020, the five firms receiving the largest payments, ranging from \$804,015 to \$8,322,586, are listed below.

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**Firm Name**

LPL Financial  
Wells Fargo Advisors LLC – Wealth (ISG)  
Royal Alliance  
Wells Fargo Advisors LLC (PCG)  
Woodbury Financial Services, Inc.

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## ADMINISTRATIVE SERVICE FEES

Allianz Life contracts with Tata Consultancy Services (Tata) to perform certain administrative services as described in prospectus section 13, Other Information – Administration/Allianz Service Center. Allianz Life paid Tata the following amounts for these services during the last three calendar years:

Calendar Year	Total Paid to Tata
2018	\$1,450,101
2019	\$1,548,030
2020	\$1,737,100

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## FEDERAL TAX STATUS

*NOTE: The following description is based upon our understanding of current federal income tax law applicable to annuities in general. We cannot predict the probability that any changes in such laws will be made. Purchasers are cautioned to seek competent tax advice regarding the possibility of such changes. We do not guarantee the tax status of the Contracts. Purchasers bear the complete risk that the Contracts may not be treated as “annuity contracts” under federal income tax laws. It should be further understood that the following discussion is not exhaustive and that special rules not described herein may be applicable in certain situations. Moreover, no attempt has been made to consider any applicable state or other tax laws.*

### ANNUITY CONTRACTS IN GENERAL

Annuity contracts are a means of setting aside money for future needs – usually retirement. Congress recognized the importance of saving for retirement and provided special rules in the Internal Revenue Code (Code) for annuities.

These rules generally provide that you will not be taxed on any earnings on the money held in your annuity until you take the money out. This is called tax deferral. There are different rules regarding how you will be taxed, depending upon how you take the money out and whether the annuity is Qualified or Non-Qualified (see the following discussion in this section).

If you did not purchase the Contract under a tax qualified retirement plan, the Contract is referred to as a Non-Qualified Contract.

### TAXATION OF ANNUITIES IN GENERAL

Section 72 of the Internal Revenue Code of 1986, as amended (the Code) governs taxation of annuities in general. An Owner is generally not taxed on increases in the value of a Contract until distribution occurs, either in the form of withdrawals or as Annuity Payments. For a full withdrawal (total redemption), a partial withdrawal, or a death benefit, the recipient is taxed on the portion of the payment that exceeds your investment in the Contract (often referred to as cost basis). For Non-Qualified Contracts, this cost basis is generally the Purchase Payments, while for Qualified Contracts there is generally no cost basis. The taxable portion of the withdrawal or annuity payment is taxed at ordinary income tax rates. For Non-Qualified Contracts, the taxable portion of a partial withdrawal is the portion of the payment considered to be gain in the Contract (for example, the difference, if any, between the Contract Value immediately before the withdrawal, unreduced by any withdrawal charges, and the Contract’s cost basis). For a full withdrawal, the amount received that exceeds the Contract’s cost basis is taxable. Withdrawals, whether partial or full, and annuity payments may also be subject to an additional federal tax equal to 10% of the taxable amount.

For variable Annuity Payments from Non-Qualified Contracts, the portion of each payment included in income equals the excess of the payment over the exclusion amount. The exclusion amount for variable Annuity Payments is determined by dividing the investment in the Contract (adjusted for any period certain or refund guarantee) by the number of years over which the annuity is expected to be paid (which is determined by Treasury Regulations). For fixed Annuity Payments from Non-Qualified Contracts, the portion of each payment included in income is determined by an exclusion ratio. We determine the exclusion ratio for fixed Annuity Payments by dividing the investment in the Contract (adjusted for any guaranteed period or refund guarantee) by the expected return anticipated to be paid as fixed Annuity Payments (which is determined by Treasury Regulations). We determine the amount of each fixed Annuity Payment that is excluded from income by multiplying the fixed Annuity Payment by the exclusion ratio. Fixed Annuity Payments received after the investment in the Contract has been recovered (for example, when the total of the exclusion amounts equal the investment in the Contract) are fully taxable. The taxable portion of an Annuity Payment is taxed at ordinary income tax rates. Generally, Annuity Payments from Qualified Contracts are fully taxable. Annuity Payments that are qualified distributions from Roth IRAs are income tax free. Owners, Annuitants and Beneficiaries under the Contracts should seek competent financial advice about the tax consequences of any distributions.

We are taxed as a life insurance company under the Code. For federal income tax purposes, the Separate Account is not a separate entity from us, and its operations form a part of Allianz Life.

## QUALIFIED CONTRACTS

If you purchased the Contract as an IRA, Roth IRA or to fund a qualified retirement plan, the Contract is referred to as a Qualified Contract. Qualified Contracts are subject to special rules under the Code. Adverse tax consequences may result if contributions, distributions, and transactions in connection with the Qualified Contract do not comply with the law.

A Qualified Contract funded by an annuity does not provide any additional tax deferral. However, the Contract has features and benefits other than tax deferral that may make it an appropriate investment for an IRA or qualified retirement plan.

### Types of Qualified Contracts

We previously offered the following types of Qualified Contracts.

- IRA. Section 408 of the Code permits eligible individuals to maintain IRAs. IRA contributions are limited each year to the lesser of a dollar amount specified in the Code or 100% of the amount of earned income included in the Owner's income. Contributions may be tax deductible based on the Owner's income. The limit on the amount contributed to an IRA does not apply to distributions from certain other types of qualified retirement plans that are "rolled over" on a tax-deferred basis into an IRA.
- Roth IRA. Section 408A of the Code permits certain eligible individuals to contribute to a Roth IRA. Contributions to a Roth IRA are limited each year to the lesser of a dollar amount specified in the Code or 100% of the amount of earned income included in the Owner's income. Contributions are also limited or prohibited if the Owner's income is above certain limits. Contributions must be made in cash or as a rollover or transfer from another Roth IRA.

Conversions to a Roth IRA from an IRA or other eligible qualified retirement plan are permitted regardless of an individual's income. A conversion to a Roth IRA results in a taxable event, but not a 10% additional federal tax for early withdrawal if certain qualifications are met (please consult your tax adviser for more details).

Distributions from a Roth IRA generally are not subject to income tax if the Roth IRA has been held for five years (starting with the year in which the first contribution is made to any Roth IRA) and the Owner satisfies a triggering event such as attaining age 59½, death, disability or a first time homebuyer (subject to a \$10,000 lifetime limit).

Distribution before satisfying the five year period or triggering event requirement may subject the distribution to ordinary income tax and the 10% additional federal tax for early withdrawal. Please be aware that each Roth IRA conversion has its own five year holding period requirement.

- Simplified Employee Pension (SEP) IRA. Employers may establish Simplified Employee Pension (SEP) IRAs under Code Section 408(k) to provide IRA contributions on behalf of their employees. In addition to all of the general rules governing IRAs, such plans are subject to additional requirements and different contribution limits.
- Inherited IRA. The Code permits beneficiaries of investments that were issued under certain tax-qualified pension or retirement plans to directly transfer the death benefit from that investment into a variable annuity contract (Inherited IRA Contract). Inherited IRA Contracts must satisfy the required minimum distribution rules that apply to a beneficiary.

Since you are the beneficiary of the previously held tax-qualified arrangement, you will become the Owner of the new Inherited IRA Contract. The ownership of this Contract must also reflect the name of the deceased previous owner. The purpose of the Inherited IRA Contract is to allow the Owner to change the funding vehicle and receive RMD payments instead of receiving a lump sum death benefit payment.

For a nonspouse beneficiary, the death benefit proceeds must be directly transferred into this Contract; they cannot be received by the nonspouse beneficiary and then applied to this Contract. A spouse beneficiary may receive the death benefit proceeds and then roll the funds into an Inherited IRA Contract within 60 days of receiving the proceeds. A beneficiary can apply the death benefit proceeds from multiple tax-qualified investments that were owned by the same decedent to the purchase of an Inherited IRA Contract. We will not accept any other forms of Purchase Payment on an Inherited IRA Contract. Once an Inherited IRA Contract is established, no further Purchase Payments can be made.

**Qualified Retirement Plans: Pension and Profit-Sharing Plans.** A qualified plan is a retirement or pension plan that meets the requirements for tax qualification under the Code. Sections 401(a) and 401(k) of the Code permit employers, including self-employed individuals, to establish various types of retirement plans for employees. These retirement plans may have permitted the purchase of the Contracts to provide benefits under the plan. Contributions to the plan for the benefit of employees are not included in the gross income of the employee until distributed from the plan. The tax consequences to participants may vary, depending upon the particular plan design. However, the Code places limitations and restrictions on all plans, including on such items as: amount of allowable contributions; form, manner and timing of distributions; transferability of benefits; vesting and nonforfeiture of interests; nondiscrimination in eligibility and participation; and the tax treatment of distributions and withdrawals. Participant loans are not allowed under the Contracts purchased in connection with these plans.

If the Contract is an investment for assets of a qualified plan under Section 401 of the Code, the plan is both the Owner and the Beneficiary. The authorized signatory or plan trustee for the plan must make representations to us that the plan is qualified under the Code on the Issue Date and is intended to continue to be qualified for the entire Accumulation Phase of the Contract, or as long as the qualified plan owns the Contract. The qualified plan may designate a third party administrator to act on its behalf. All tax reporting is the responsibility of the plan. In the event the qualified plan instructs us to roll the plan assets into an IRA for the Annuitant under this Contract, we change the qualification type of the Contract to an IRA and make the Annuitant the Owner. The qualified plan is responsible for any reporting required for the rollover transactions out of the plan. We are responsible for any reporting required for the Contract as an IRA.

Taxation of participants in each Qualified Contract varies with the type of plan and terms and conditions of each specific plan. Owners, Annuitants and Beneficiaries are cautioned that benefits under a Qualified Contract may be subject to the terms and conditions of the plan regardless of the terms and conditions of the Contracts issued pursuant to the plan. Some retirement plans are subject to distribution and other requirements that are not incorporated into our administrative procedures. We are not bound by the terms and conditions of such plans to the extent such terms conflict with the terms of a Contract, unless we specifically consent to be bound. Owners, participants and Beneficiaries are responsible for determining that contributions, distributions and other transactions with respect to the Contracts comply with applicable law.

Generally, Contracts issued pursuant to qualified plans are not transferable except upon withdrawal or annuitization. Various penalty and excise taxes may apply to contributions or distributions made in violation of applicable limitations. Furthermore, certain withdrawal penalties and restrictions may apply to withdrawals from Qualified Contracts.

## **DISTRIBUTIONS – QUALIFIED CONTRACTS**

Distributions from Qualified Contracts are subject to ordinary income tax. Special rules may apply to withdrawals from certain types of Qualified Contracts, including Roth IRAs. You should consult with your qualified plan sponsor and tax adviser to determine how these rules affect the distribution of your benefits.

Section 72(t) of the Code provides that any amount received under a Qualified Contract, which is included in income, may be subject to an additional federal tax. The amount of the additional federal tax is equal to 10% of the amount that is included in income. Some distributions will be exempt from the additional federal tax. There is an exception to this 10% additional federal tax for:

- 1) distributions made on or after the date you (or the Annuitant as applicable) reach age 59½;
- 2) distributions following your death or disability (or the Annuitant as applicable) (for this purpose disability is as defined in Section 72(m)(7) of the Code);
- 3) distributions paid in a series of substantially equal payments made annually (or more frequently) for your life (or life expectancy) or joint lives of you and your designated Beneficiary;
- 4) distributions made to you after separation from service after reaching age 55 (does not apply to IRAs);
- 5) distributions made to you to the extent such distributions do not exceed the amount allowed as a deduction under Code Section 213 for amounts paid during the tax year for medical care;
- 6) distributions made on account of an IRS levy upon the Qualified Contract;
- 7) distributions from an IRA for the purchase of medical insurance (as described in Section 213(d)(1)(D) of the Code) for you and your spouse and dependents if you have received unemployment compensation for at least 12 weeks (this exception will no longer apply after you have been re-employed for at least 60 days);
- 8) distributions from an IRA made to you, to the extent such distributions do not exceed your qualified higher education expenses (as defined in Section 72(t)(7) of the Code) for the tax year;
- 9) distributions from an IRA which are qualified first-time homebuyer distributions (as defined in Section 72(t)(8) of the Code);
- 10) distributions made to an alternate Payee pursuant to a qualified domestic relations order (does not apply to an IRA);
- 11) distributions made to a reservist called to active duty after September 11, 2001, for a period in excess of 179 days (or for an indefinite period), from IRAs or amounts attributable to elective deferrals under a 401(k) plan made during such active period; and
- 12) distributions made during the payment period starting on the birth of a child or the finalization of an adoption (up to \$5,000).

With respect to 12) above, a qualified birth or adoption distribution may be repaid in one or more contributions into an IRA or qualified retirement plan (if you are eligible to make a contribution to the qualified retirement plan). The repayment contribution will be treated as a rollover into the IRA or qualified retirement plan.

With respect to (3) above, if the series of substantially equal periodic payments is modified before the later of the Annuitant attaining age 59½ or the close of the five year period that began on the date the first payment was received, then the tax for the year of the modification is increased by the 10% additional federal tax, plus interest for the tax years in which the exception was used. A partial withdrawal taken after a series of substantially equal periodic payments has begun will result in the modification of the series of substantially equal payments and therefore will result in the imposition of the 10% additional federal tax and interest for the period as described above. You should obtain competent tax advice before you take any partial withdrawals from your Contract. Adding Purchase Payments to a Contract that is making substantially equal periodic payments will also result in a modification of the payments.

For 2020 only, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, permitted corona-virus related distributions from Qualified Contracts and IRAs up to an aggregate amount of \$100,000. This type of distribution was an exception to the 10% federal additional tax. To qualify for the distribution, generally you, your spouse, or dependent had to have been diagnosed with the virus, or you had to have been affected economically in certain ways because of the virus. The tax associated with the distributions may be paid ratably over three years, beginning with the 2020 tax year. The CARES Act also allows you to recontribute the amount you withdrew to an eligible retirement plan (to which you can make a rollover contribution) in one or more payments within three years.

Distributions from a Qualified Contract must commence no later than the required beginning date. For Roth IRAs, no distributions are required during the Owner's lifetime. For IRAs other than Roth IRAs, the required beginning date is April 1 of the calendar year following the year in which you attain age 72 (or age 70 ½ if you reached this age prior to January 1, 2020). Under a qualified plan, the required beginning date is generally April 1 of the calendar year following the later of the calendar year in which you reach age 72 (or age 70 ½ if you reached this age prior to January 1, 2020) or retire.

Generally, RMDs must be made over a period not exceeding the life or life expectancy of the individual or the joint lives or life expectancies of the individual and his or her designated Beneficiary. If the RMDs are not made, a 50% additional federal tax is imposed as to the amount not distributed. It is unclear whether a partial withdrawal taken after an Income Date will have an adverse impact on the determination of RMDs. If you are attempting to satisfy these rules through partial withdrawals, the present value of future benefits provided under the Contract may need to be included in calculating the amount required to be distributed. If you are receiving Annuity Payments or are age 72 or older (or age 70 ½ if you reached this age prior to January 1, 2020), you should consult with a tax adviser before taking a partial withdrawal.

**Inherited IRA Contracts.** The Setting Every Community Up for Retirement (SECURE) Act (contained within the Further Consolidated Appropriations Act enacted December 20, 2019) made significant changes to the payment options available to beneficiaries of IRA owners who die on or after January 1, 2020. With some exceptions, these IRA beneficiaries must receive their entire death benefit by December 31 following the tenth anniversary of the IRA owner's death.

The payments options for beneficiaries of IRA contracts differ depending on several factors, including whether a beneficiary is an Eligible Designated Beneficiary (EDB). An EDB includes any beneficiary of the deceased IRA owner who at time of death is: 1) the surviving spouse, 2) not more than ten years younger than the IRA owner, 3) a minor child of the IRA owner, 4) chronically ill, or 5) disabled. EDB status is determined at the IRA owner's death.

If you are an EDB, then you can begin RMD payments based on your single life expectancy ("stretch payments") in the year following the deceased owner's death. You must begin to receive these RMD payments by December 31 of the year following the deceased owner's death (but see the exception for a spouse beneficiary below). If you are an EDB that elected to receive payments over your life expectancy, once you die, then your beneficiary must receive their entire death benefit by December 31 following the tenth anniversary of your death.

For a minor child beneficiary, the payments based on life expectancy may continue only until the minor child reaches the age of majority (age 18). The minor child beneficiary must receive their entire death benefit by December 31 following the tenth anniversary of reaching the age of majority.

If you were the spouse beneficiary of the deceased owner's IRA contract and your spouse had not yet reached the date at which he/she was required to begin receiving RMD payments (treating a Roth IRA as a traditional IRA for this purpose only), then you can wait to begin receiving RMD payments until the year that your spouse would have reached age 72. Alternatively, if the deceased owner had already reached the date at which he/she was required to begin receiving RMD payments, you must begin to receive these RMD payments by December 31 of the year following the deceased owner's death.

If you are a designated beneficiary (generally an individual), but are not an EDB, the entire death benefit must be distributed by December 31 after the tenth anniversary of the IRA owner's death. If you die before the end of the ten-year period and the entire death benefit has not been distributed, your beneficiary must receive the entire death benefit by the same date you would have been required to receive the death benefit.

If the beneficiary of the IRA is a trust, current Treasury Regulations provide "see-through" treatment for trusts that meet certain requirements. If such treatment applies, the beneficiary of the trust, rather than the trust itself will be treated as having been designated as beneficiaries of the IRA for purposes of determining the distribution period for RMD payments. Due to the changes made by SECURE, there is uncertainty regarding which distribution options are available when a trust is the beneficiary of an IRA. Clarification of situations involving trust beneficiaries is expected to be provided when the Treasury Department releases applicable regulations. Individuals are encouraged to seek guidance from their own tax professional or legal counsel to determine how these new rules apply to their particular situation.

If the IRA beneficiary is not a "designated beneficiary" (e.g., beneficiary is an estate, charity, or a trust that does not meet the requirements for "see-through" treatment), then the payment options are unchanged by the SECURE Act. If the IRA owner had not yet reached the date at which he/she was required to begin receiving RMD payments (treating a Roth IRA as a traditional IRA for this purpose only), then these IRA beneficiaries must receive their entire death benefit by December 31 following the fifth anniversary of the IRA owner's death. Alternatively, if the deceased owner had already reached the date at which he/she was required to begin receiving RMD payments, these IRA beneficiaries can begin RMD payments based on the single life expectancy of the owner in the year of the deceased owner's death, reduced by one. These beneficiaries must begin to receive these RMD payments by December 31 of the year following the deceased owner's death.



The SECURE Act impacts situations when the IRA owner died before January 1, 2020 and the beneficiary had elected stretch payments. In this situation, the stretch payments can continue to the beneficiary, but once that beneficiary dies, the successor beneficiary must receive any remaining death benefit by December 31 following the tenth anniversary of the original beneficiary's death.

The SECURE Act may limit the annuitization options that a beneficiary may elect at the IRA owner's death to comply with the new death benefit payment rules. Also, if an IRA owner elected an annuitization option and then dies, action may be needed by the beneficiary if any remaining annuity payments do not comply with the new death benefit payment rules for a beneficiary.

## **DISTRIBUTIONS – NON-QUALIFIED CONTRACTS**

You, as an individual Owner, generally will not be taxed on increases in the value of the Contract until an actual or deemed distribution occurs – either as a withdrawal or as Annuity Payments.

Section 72 of the Code governs treatment of distributions. When a withdrawal from a Non-Qualified Contract occurs, the amount received will generally be treated as ordinary income subject to tax up to an amount equal to the excess (if any) of the Contract Value immediately before the distribution over your investment in the Contract (generally, the Purchase Payments or other consideration paid for the Contract, reduced by any amount previously distributed from the Contract that was not subject to tax) at that time. In the case of a full withdrawal under a Non-Qualified Contract, the amount received generally will be taxable only to the extent it exceeds your investment in the Contract.

Upon Full Annuitization, different rules apply. Periodic installments (for example, Annuity Payments) scheduled to be received at regular intervals (for example, monthly) after a Full Annuitization should be treated as annuity payments (and not withdrawals) for tax purposes. Upon Full Annuitization, a portion of each Annuity Payment may be treated as a partial return of your Purchase Payment and will not be taxed. The remaining portion of the payment will be treated as ordinary income. How the Annuity Payment is divided between taxable and non-taxable portions depends upon the period over which we expect to make the payments. Once we have paid your total Purchase Payment(s), the entire Annuity Payment is taxable as ordinary income.

Section 72 of the Code further provides that any amount received under an annuity contract, which is included in income, may be subject to an additional federal tax. The amount of the additional federal tax is equal to 10% of the amount that is included in income. Some distributions will be exempt from the additional federal tax. There is an exception to this 10% additional federal tax for amounts:

- 1) paid on or after you reach age 59½;
- 2) paid after you die;
- 3) paid if you become totally disabled (as that term is defined in Section 72(m)(7) of the Code);
- 4) paid in a series of substantially equal payments made annually (or more frequently) for your life (or life expectancy) or joint lives of you and your designated Beneficiary;
- 5) paid as annuity payments under an immediate annuity; or
- 6) that come from Purchase Payments made before August 14, 1982.

With respect to (4) above, if the series of substantially equal periodic payments is modified before the later of your attaining age 59½ or the close of the five year period that began on the date the first payment was received, then the tax for the year of the modification is increased by the 10% additional federal tax, plus interest, for the tax years in which the exception was used. A partial withdrawal taken after a series of substantially equal periodic payments has begun will result in the modification of the series of substantially equal payments and therefore will result in the imposition of the 10% additional federal tax and interest for the period as described above. Adding Purchase Payments to a Contract that is making substantially equal periodic payments will also result in a modification of the payments.

## **REQUIRED DISTRIBUTIONS**

Section 72(s) of the Code requires that, to be treated as an annuity contract for federal income tax purposes, a Non-Qualified Contract must contain certain provisions regarding distributions when an Owner dies. Specifically, Section 72(s) requires that: (a) if an Annuitant dies on or after a Full Annuitization, but before distribution of the entire Contract's interest, the entire Contract's interest must be distributed at least as rapidly as under the distribution method being used as of the Annuitant's date of death; and (b) if any Owner (or the Annuitant if the Owner is a non-individual) dies before a Full Annuitization, the Contract's entire interest must be distributed within five years after the Owner's date

of death. These requirements are satisfied as to any part of an Owner's interest that is payable to, or for the benefit of, a designated Beneficiary and distributed over the designated Beneficiary's life, or over a period not extending beyond that Beneficiary's life expectancy, provided that distributions begin within one year of the Owner's death. The designated Beneficiary refers to an individual designated by the Owner as a Beneficiary and to whom ownership of the Contract passes by reason of death. However, if the designated Beneficiary is the deceased Owner's surviving spouse, the surviving spouse can continue the Contract as the new Owner.

Non-Qualified Contracts contain provisions that are intended to comply with these Code requirements.

Other rules may apply to Qualified Contracts, such as all distributions must be made to Beneficiaries by the end of the tenth year after the Owner's death, except for distributions made to certain eligible designated Beneficiaries. The available options for certain Beneficiaries of Qualified Contracts have changed due to the enactment of the SECURE Act at the end of 2019.

## **DIVERSIFICATION**

Code Section 817(h) and accompanying Treasury Department Regulations imposes diversification standards on the assets underlying variable annuity contracts. The Code provides that a variable annuity contract cannot be treated as an annuity contract for any period during which its investments are not adequately diversified as required by the United States Treasury Department. If the Contract no longer qualifies as an annuity contract, you would be subject to federal income tax each year with respect to Contract earnings accrued. We intend that all Investment Options be managed by the investment advisers so that they comply with these diversification standards.

## **OWNER CONTROL**

The Treasury Department has indicated that the diversification regulations do not provide guidance regarding the circumstances in which an Owner's control of the Separate Account's investments may cause the Owner to be treated as the owner of the Separate Account's assets, which would cause the Contract to lose its favorable tax treatment. In certain circumstances, variable annuity contract owners have been considered for federal income tax purposes to be the owners of the separate account's assets, due to their ability to exercise investment control over those assets. In this case, the contract owners have been currently taxed on income and gains attributable to the variable account assets. There is little guidance in this area and some of our Contract's features, such as the flexibility of an Owner to allocate Purchase Payments and transfer amounts among the Investment Options have not been explicitly addressed in published rulings. While we believe that the Contracts do not give Owners investment control over Separate Account assets, we reserve the right to modify the Contracts as necessary to prevent an Owner from being treated as the owner of the Separate Account assets.

## **CONTRACTS OWNED BY NON-INDIVIDUALS**

When a Non-Qualified Contract is owned by a non-individual (other than a trust holding the Contract as an agent for an individual), the Contract is not generally treated as an annuity for tax purposes. This means that the Contract may not receive the benefits of tax deferral and Contract earnings may be taxed as ordinary income every year.

## **ANNUITY PURCHASES BY NONRESIDENT ALIENS AND FOREIGN CORPORATIONS**

The preceding discussion provides general information regarding federal income tax consequences to Owners that are U.S. citizens or residents. Owners that are not U.S. citizens or residents are generally subject to 30% federal withholding tax on distributions, unless a lower treaty rate applies. In addition, Owners may be subject to state and/or municipal taxes and taxes that may be imposed by the Owners' country of citizenship or residence.

## **INCOME TAX WITHHOLDING**

Any part of a distribution that is included in the Owner's gross income is subject to federal income tax withholding. Generally, we withhold amounts from periodic payments at the same rate as wages, and we withhold 10% from non-periodic payments. However, in most cases, you may elect not to have taxes withheld or to have withholding done at a different rate.

Certain distributions from retirement plans qualified under Code Section 401, that are not directly rolled over to another eligible retirement plan or IRA, are subject to a mandatory 20% federal income tax withholding. The 20% withholding requirement generally does not apply to:

- a series of substantially equal payments made at least annually for the life or life expectancy of the participant or joint and last survivor expectancy of the participant and a designated Beneficiary, or for a specified period of ten years or more; or
- required minimum distributions; or
- any part of a distribution not included in gross income (for example, returns of after-tax contributions); or
- hardship withdrawals.

Participants should consult a tax adviser regarding withholding requirements.

## **MULTIPLE CONTRACTS**

Code Section 72(e)(12) provides that multiple Non-Qualified deferred annuity contracts issued within the same calendar year to the same owner by one company or its affiliates are treated as one annuity contract for purposes of determining a distribution's tax consequences. This treatment may result in adverse tax consequences, including more rapid taxation of distributions from combined contracts. For purposes of this rule, contracts received in a Section 1035 exchange are considered issued in the year of the exchange.

## **PARTIAL 1035 EXCHANGES**

Code Section 1035 provides that an annuity contract may be exchanged in a tax-free transaction for another annuity contract. Historically, it was presumed that only the exchange of an entire contract (as opposed to a partial exchange) would be accorded tax-free status. IRS guidance however, confirmed that the direct transfer of a part of an annuity contract into another annuity contract can qualify as a non-taxable exchange. IRS guidance provides that this direct transfer can go into an existing annuity contract as well as a new annuity contract. If you perform a partial 1035 exchange, please be aware that no distributions or withdrawals can occur from the old or new annuity contract within 180 days of the partial exchange, unless you qualify for an exception to this rule. IRS guidance also provides that certain partial exchanges may not qualify as tax-free exchanges. Therefore, Owners should consult their own tax advisers before partial exchanging an annuity contract.

## **ASSIGNMENTS, PLEDGES AND GRATUITOUS TRANSFERS**

Any assignment or pledge (or agreement to assign or pledge) the Contract Value is treated for federal income tax purposes as a full withdrawal. The Contract will not qualify for tax deferral while the assignment or pledge is effective. Qualified Contracts generally cannot be assigned or pledged. For Non-Qualified Contracts, the Contract's cost basis is increased by the amount includible as income with respect to such amount or portion, though it is not affected by any other aspect of the assignment or pledge (including its release). If an Owner transfers a Contract without adequate consideration to a person other than their spouse (or to a former spouse incidental to divorce), the Owner is taxed on the difference between his or her Contract Value and the Contract's cost basis at the time of transfer and for each subsequent year until the assignment is released. In such case, the transferee's investment in the Contract is increased to reflect the increase in the transferor's income.

The transfer or assignment of Contract ownership, the designation of an Annuitant, the selection of certain Income Dates, or a Contract exchange may result in other tax consequences that are not discussed here. An Owner should consult a tax adviser before requesting a transfer, assignment, or exchange.

## **DEATH BENEFITS**

Generally, any death benefit is taxable to the recipient as ordinary income. The rules governing the taxation of payments from an annuity contract generally apply to the payment of death benefits and depend on whether the death benefits are paid as a lump sum or as Annuity Payments.

## **SPOUSAL CONTINUATION AND THE FEDERAL DEFENSE OF MARRIAGE ACT (DOMA)**

Before June 26, 2013, pursuant to Section 3 of DOMA, same-sex marriages were not recognized for purposes of federal law. On that date, the U.S. Supreme Court held in *United States v. Windsor* that Section 3 of DOMA is unconstitutional. Valid same-sex marriages are now recognized under federal law for tax purposes.

The IRS has clarified its position regarding when a same-sex marriage will be recognized for federal tax purposes. If a couple is married in a jurisdiction (including a foreign country) that recognizes same-sex marriage, that marriage will be recognized for all federal tax purposes regardless of the law in the jurisdiction where they reside. However, the IRS did not recognize civil unions and registered domestic partnerships as marriages for federal tax purposes. Depending on the state in which your Contract is issued, we may offer certain spousal benefits to same-sex civil union couples, domestic partners or spouses. You should be aware, however, that, if state law does not recognize the civil union or registered domestic partnership as a marriage, we cannot permit the surviving partner/spouse to continue the Contract within the meaning of the federal tax law.

Same-sex civil union couples, domestic partners and spouses should contact their financial professional and a qualified tax adviser regarding their personal tax situation, the implications of any Contract benefits based on a spousal relationship, and their partner's/spouse's rights and benefits under the Contract.

## **FEDERAL ESTATE TAXES**

While no attempt is being made to discuss the Contract's federal estate tax implications, an Owner should keep in mind the annuity contract's value payable to a Beneficiary upon the Owner's death is included in the deceased Owner's gross estate. Depending on the annuity contract, the annuity's value included in the gross estate may be the value of the lump sum payment payable to the designated Beneficiary, or the actuarial value of the payments to be received by the Beneficiary. Consult an estate planning adviser for more information.

## **GENERATION-SKIPPING TRANSFER TAX**

The Code may impose a "generation-skipping transfer tax" when all or part of an annuity contract is transferred to, or a death benefit is paid to, an individual two or more generations younger than the Owner. Regulations may require us to deduct this tax from your Contract, or from any applicable payment, and pay it directly to the IRS.

## **FOREIGN TAX CREDITS**

We may benefit from any foreign tax credits attributable to taxes paid by certain funds to foreign jurisdictions to the extent permitted under the federal tax law.

## **POSSIBLE TAX LAW CHANGES**

Although the likelihood of legislative or regulatory changes is uncertain, there is always the possibility that the Contract's tax treatment could change. Consult a tax adviser with respect to legislative or regulatory developments and their effect on the Contract.

We have the right to modify the Contract in response to legislative or regulatory changes that could otherwise diminish the favorable tax treatment that annuity owners currently receive. We make no guarantee regarding the tax status of any contract and do not intend the above discussion as tax advice.

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## **GUARANTEED ACCOUNT VALUE (GAV) TRANSFERS**

To maintain the guarantee provided by the GAV Benefit we monitor your Contract Value daily as it relates to the GAV and periodically transfer amounts between your selected Investment Options and the FPAs (GAV Transfers). We determine the amount and timing of GAV Transfers between the Investment Options and the FPAs according to a mathematical model.

The mathematical model uses the following formula to compute  $d$ , the percentage of Contract Value to be allocated to the Investment Options:

$$d = N\{\ln(C/G) + (r + s^2/2) \times t\} / [s \times \sqrt{t}]$$

where:

<b>Notation</b>	<b>Description</b>
C	Contract Value
G	Adjusted Guarantee
r	Credited Rate
s	Adjusted Volatility
t	Time Remaining
d	Percentage of Contract Value in Investment Options
N	Cumulative Standard Normal Distribution function
ln	Natural Logarithm function

Following is a more detailed discussion of the values used in the formula.

The **Contract Value** includes Contract Value both in the Investment Options and in the FPAs.

The **Adjusted Guarantee** for a given GAV is the dollar value of the GAV adjusted upward to reflect the current anticipated price of the guarantee. This adjustment takes into account the following factors: the time (in years) until the guarantee (the GAV) becomes available; the rate currently credited to the FPAs; and the current Contract Value as compared to the GAV. In mathematical terms, the adjusted guarantee ( $G$ ) equals  $g$  multiplied by  $w$ , where  $g$  represents the dollar value of the GAV, and  $w$  is a factor that we use to incorporate the current anticipated price of the guarantee into the GAV Benefit.

- $w$  is based upon a guarantee ratio,  $m$ , that we use to measure how "low" a Contract Value is relative to the GAV.
- $m$  is the ratio of (a) the difference of the GAV minus the Contract Value, and (b) the difference of the GAV minus the present value of the GAV, discounted for the time (in years) until the GAV becomes available, at the interest rate credited to the FPAs. In mathematical terms,  $m = (g - C) / [g - (g / (1 + r)^t)]$ . The value of  $w$  and the corresponding guarantee ratio,  $m$ , are presented in Table 1 which appears later in this section. We established the values for  $w$  set forth in Table 1 on the Issue Date and they cannot change.

The **Credited Rate** is the interest rate credited to the currently available FPA. The interest rate is never less than the guaranteed rate stated in your Contract.

The **Adjusted Volatility** represents the volatility of Contract Value returns – that is, all Separate Account assets plus all general account assets that are allocated to the FPAs. We fixed this number on the Issue Date and it cannot change. You may contact our Service Center to find out the Adjusted Volatility number that applies to your Contract.

The **Time Remaining** for a given GAV is the number of years (including any fraction) which remain until that GAV is applied and any True Up based on that GAV is made.

The **Percentage of Contract Value** to be allocated to the Investment Options is computed for each future GAV. Ultimately the allocation for a Contract takes into account each future GAV, the limit on allocations to the FPAs during the first two Contract Years, and whether the allocation materially differs from previously computed allocations.

The **Cumulative Standard Normal Distribution** function assumes that random events are distributed according to the classic bell curve. For a given value it computes the percentage of such events which can be expected to be less than that value.

The **Natural Logarithm** function for a given value, computes the power to which  $e$  must be raised, in order to result in that value. Here,  $e$  is the base of the natural logarithms, or approximately 2.718282.

The mathematical model uses  $d$  as follows.

If you have not reset the GAV, then during the first Contract Year there is one GAV available on the fifth Contract Anniversary, during the second Contract Year there is a second GAV available on sixth Contract Anniversary, and so on. Beginning with the fifth Contract Year there are five future GAVs, each available on a different Contract Anniversary.

We compute  $d$  for each future GAV (which can be as many as five). We take the smallest of these  $d$ s and execute a GAV Transfer based on the following.

- Whether the allocation differs sufficiently from the allocation we previously computed according to a specified margin that we set on the Issue Date and cannot change. (You may contact our Service Center to find out the specified margin that applies to your Contract.)

- Whether a GAV Transfer would exceed the limit of 50% of Purchase Payments to the FPAs that exists in the first two Contract Years.
- The number of GAV Transfers which have already occurred.

If you have not reset the GAV, then:

- On the Issue Date we compute  $d$  and use it as a baseline for comparison with allocations we compute on subsequent Business Days.
- After the Issue Date, and before the first GAV Transfer to the FPAs, on each Business Day we compute  $d$  and execute a GAV Transfer to the FPAs if  $d$  is lower than the baseline by more than the specified margin.
- After the Issue Date, and after the first GAV Transfer to the FPAs has already occurred, on each Business Day we compute  $d$  and execute a GAV Transfer to the FPAs if  $d$  is lower than or higher than the baseline by the specified margin. If  $d$  is sufficiently below the baseline, the GAV Transfer is to the FPAs. If  $d$  is sufficiently above the baseline, the GAV Transfer is to the Investment Options.

If you have reset the GAV, then:

- On the reset date, we compute  $d$  and use it as a baseline for comparison with allocations we compute on subsequent Business Days.
- After the reset date, and before the first GAV Transfer to the FPAs that occurs after the reset date, on each Business Day we compute  $d$  and execute a GAV Transfer to the FPAs if  $d$  is lower than the baseline by more than the specified margin.
- After the reset date, and after the first GAV Transfer to the FPAs that occurs after the reset date, on each Business Day we compute  $d$  and execute a GAV Transfer to the FPAs if  $d$  is lower than or higher than the baseline by the specified margin. If  $d$  is sufficiently below the baseline, the GAV Transfer is to the FPAs. If  $d$  is sufficiently above the baseline, the GAV Transfer is to the Investment Options.

**Example 1:** We establish the baseline on the Issue Date.

You purchase a February 2007 Contract with a single Purchase Payment of \$100,000. The initial GAV is \$100,000, which becomes available on the fifth anniversary. Assume the following additional values.

- The interest rate credited to the ten-year FPA is 3%.
- The adjusted volatility of the Investment Options you selected is 16%.
- The specified margin is 5%.

For this example we have:

Variable	Value	Description
$C$	\$100,000	Contract Value
$g$	\$100,000	The dollar value of the GAV
$r$	0.03	Credited Rate
$s$	0.16	Adjusted Volatility
$t$	5	Time Remaining

First, we compute  $m$  and  $w$  and  $G$  as follows.

$$\begin{aligned}
 m &= (g - C) / [g - (g / (1 + r)^t)] \\
 &= (\$100,000 - \$100,000) / [\$100,000 - (\$100,000 / (1 + 0.03)^5)] \\
 &= 0 / [\$100,000 - (\$100,000 / 1.159274)] \\
 &= 0 / [\$100,000 - \$86,260.88] \\
 &= 0 / \$13,739.12 \\
 &= 0
 \end{aligned}$$

We use the value of  $m$  (which is zero) to look up this value of  $w$  in Table 1 (which appears later in this section) and find that  $w$  is 1.08. The Adjusted Guarantee  $G$  is  $w \times g$ ; or  $1.08 \times \$100,000 = \$108,000$ .

Now, we compute  $d$  as follows.

$$\begin{aligned}
 d &= N\{\ln(C / G) + (r + s^2 / 2) \times t\} / [s \times \sqrt{t}] \\
 &= N\{\ln(\$100,000 / \$108,000) + (0.03 + 0.16^2 / 2) \times 5\} / [0.16 \times \sqrt{5}]
 \end{aligned}$$

$$\begin{aligned}
&= N\{\ln(0.925926) + 0.0428 \times 5\} / [0.16 \times 2.236068] \\
&= N\{-0.076961 + 0.214\} / [0.357771] \\
&= N\{0.383036\} \\
&= 0.649153 \text{ (approximately 65\%)}
\end{aligned}$$

Thus, at issue, the mathematical model has established a baseline allocation to the Investment Options of about 65% of Contract Value.

On the Issue Date we compute  $d$  daily and compare it to the baseline allocation. Before the first GAV Transfer, the mathematical model calls for no allocation to the FPAs until  $d$  on a given day falls below the baseline by more than the specified margin of 5%.

**Example 2:** The first GAV Transfer to the FPAs.

Continuing Example 1, assume that 6 months after issue there have been no GAV Transfers and that the Contract Value has fallen to \$96,990.

Since there have been no GAV Transfers, the baseline remains 0.649153 (approximately 65%), as computed in Example 1.

For this example we have:

Variable	Value	Description
$C$	\$96,990	Contract Value
$g$	\$100,000	The dollar value of the GAV
$r$	0.03	Credited Rate
$s$	0.16	Adjusted Volatility
$t$	4.5	Time Remaining

First, we compute  $m$  and  $w$  and  $G$  as follows.

$$\begin{aligned}
m &= (g - C) / [g - (g / (1 + r)^t)] \\
&= (\$100,000 - \$96,990) / [\$100,000 - (\$100,000 / (1 + 0.03)^{4.5})] \\
&= \$3,010 / [\$100,000 - (\$100,000 / 1.142267)] \\
&= \$3,010 / [\$100,000 - \$87,543.23] \\
&= \$3,010 / \$12,454.77 \\
&= 0.241674
\end{aligned}$$

We use the value of  $m$  (which is 0.241674) to look up this value of  $w$  in Table 1 and find that  $w$  is 1.08. The Adjusted Guarantee  $G$  is  $w \times g$ ; or  $1.08 \times \$100,000 = \$108,000$ .

Now we compute  $d$  as follows.

$$\begin{aligned}
d &= N\{\ln(C / G) + (r + s^2 / 2) \times t\} / [s \times \sqrt{t}] \\
&= N\{\ln(\$96,990 / \$108,000) + (0.03 + 0.16^2 / 2) \times 4.5\} / [0.16 \times \sqrt{4.5}] \\
&= N\{\ln(0.898056) + 0.0428 \times 4.5\} / [0.16 \times 2.121320] \\
&= N\{-0.107523 + 0.1926\} / [0.339411] \\
&= N\{0.250659\} \\
&= 0.598961 \text{ (approximately 60\%)}
\end{aligned}$$

As computed,  $d$  is less than the baseline by  $0.598961 - 0.649153 = -0.050192$ , or approximately -5.02%. Since there have been no previous GAV Transfers, and since  $d$  is lower than the baseline by more than the specified margin of 5%, the mathematical model calls for an first GAV Transfer to the FPAs.

The amount of the transfer is such that, after the transfer, the percentage Contract Value in the variable Investment Options is  $d$ , approximately 60%.

The mathematical model calls for  $0.598961 \times \$96,990 = \$58,093.26$  to be allocated to the Investment Options and the remaining Contract Value ( $\$96,990 - \$58,093.26 = \$38,896.74$ ) to be allocated to the FPAs. The GAV Transfer to the FPAs in the amount of \$38,896.74 represents approximately 40.10% (i.e.,  $\$38,896.74 / \$96,990$ ) of Contract Value.

We establish a new baseline allocation for this Contract equal to  $d$ , or 0.598961.

**Example 3:** An additional GAV Transfer to the Investment Options.

Continuing Examples 1 and 2, assume that 10 months after issue the Contract Value has risen to \$102,470.

The amount of the Contract Value allocated to the FPAs has grown to \$41,094.47 since that of Example 2, the baseline is now 0.598961.

In this example we have:

Variable	Value	Description
C	\$102,470	Contract Value
g	\$100,000	The dollar value of the GAV
r	0.03	Credited Rate
s	0.16	Adjusted Volatility
t	4.166667	Time Remaining

First, we compute  $m$  and  $w$  and  $G$  as follows.

$$\begin{aligned}
 m &= (g - C) / [g - (g / (1 + r)^t)] \\
 &= (\$100,000 - \$102,470) / [\$100,000 - (\$100,000 / (1 + 0.03)^{4.166667})] \\
 &= -\$2,470 / [\$100,000 - (\$100,000 / 1.131067)] \\
 &= -\$2,470 / [\$100,000 - \$88,412.07] \\
 &= -\$2,470 / \$11,587.93 \\
 &= -0.213153
 \end{aligned}$$

We use the value of  $m$  (which is  $-0.213153$ ) to look up this value of  $w$  in Table 1 and find that  $w$  is 1.08. The Adjusted Guarantee  $G$  is  $w \times g$ ; or  $1.08 \times \$100,000 = \$108,000$ .

$$\begin{aligned}
 d &= N\{[\ln(C/G) + (r + s^2/2) \times t] / [s \times \sqrt{t}]\} \\
 &= N\{[\ln(\$102,470 / \$108,000) + (0.03 + 0.16^2/2) \times 4.166667] / [0.16 \times \sqrt{4.166667}]\} \\
 &= N\{[\ln(0.948796) + 0.0428 \times 4.166667] / [0.16 \times 2.041241]\} \\
 &= N\{[-0.052561 + 0.178333] / [0.326599]\} \\
 &= N\{0.385097\} \\
 &= 0.649917 \text{ (approximately 65\%)}
 \end{aligned}$$

As computed,  $d$  differs from the baseline by  $0.649917 - 0.598961 = 0.050956$  or approximately 5.10%. Because  $d$  differs from the baseline by more than the specified margin of 5%, the mathematical model calls for a GAV Transfer. Because  $d$  is higher than the baseline, the GAV Transfer is to the Investment Options.

The amount of the transfer is such that after the transfer the percentage of Contract Value in the variable Investment Options is  $d$ , namely 64.99%.

The mathematical model calls for  $0.649917 \times \$102,470 = \$66,597.02$  to be allocated to the Investment Options and the remaining  $\$102,470 - \$66,597.02 = \$35,872.98$  to be allocated to the FPAs.

As mentioned above, the FPAs are now at \$41,094.47.

The GAV Transfer to the Investment Options in the amount of  $\$41,094.47 - \$35,872.98 = \$5,221.49$  represents approximately 5.10% (i.e.,  $\$5,221.49 / \$102,470$ ) of Contract Value.

We establish a new baseline allocation for this Contract equal to  $d$ , or 0.649917.

**Example 4:** Expanding on the computation of  $w$ .

In the first three examples  $w$  has always been 1.08. This example shows how  $w$  may differ from 1.08. Assume the following:

Variable	Value	Description
C	\$ 85,111	Contract Value
g	\$100,000	The dollar value of the GAV
r	0.03	Credited Rate
t	2	Time Remaining

In this example we compute  $m$  and  $w$  and  $G$  as follows.



$$\begin{aligned}
m &= (g - C) / [g - (g / (1 + r)^t)] \\
&= (\$100,000 - \$85,111) / [\$100,000 - (\$100,000 / (1 + 0.03)^2)] \\
&= \$14,889 / [\$100,000 - (\$100,000 / 1.060900)] \\
&= \$14,889 / [\$100,000 - \$94,259.59] \\
&= \$14,889 / \$5,740.41 \\
&= 2.593718
\end{aligned}$$

This value of  $m$  falls between 2.55 and 2.60 in Table 1. Therefore,  $w$  falls between the two corresponding values of  $w$ , namely 2.0958 and 2.1558. Linear interpolation reveals  $w$  to be approximately 2.148261. The Adjusted Guarantee  $G$  is  $w \times g$ ; or  $2.148261 \times \$100,000 = \$214,826.10$ .

$$\begin{aligned}
d &= N\{[\ln(C / G) + (r + s^2 / 2) \times t] / [s \times \sqrt{t}]\} \\
&= N\{[\ln(\$85,111 / \$214,826.10) + (0.03 + 0.16^2 / 2) \times 2] / [0.16 \times \sqrt{2}]\} \\
&= N\{[\ln(0.396186) + 0.0428 \times 2] / [0.16 \times 1.414214]\} \\
&= N\{[-0.925873 + 0.085600] / [0.226274]\} \\
&= N\{-3.713515\} \\
&= 0.000102 \text{ (approximately 0\%)}
\end{aligned}$$

This low value of  $d$  results both because the Contract Value of \$84,111 is substantially lower than the initial GAV of \$100,000, and only two years remain before this GAV becomes available. Therefore, the mathematical model calls for an allocation of 0.01% of Contract Value to the Investment Options, and an allocation of 99.99% of Contract Value to the FPAs. Note that the model does not call for a GAV Transfer unless  $d$  differs from the previously established baseline by more than the specified margin (in these examples, 5%). Note also that GAV Transfers to the FPAs happen more often and there may be more Contract Value allocated to the FPAs, than if we had not applied the adjustment.

In practice, it is unlikely that the Contract Value would fall so far below the GAV, because as a Contract Value falls toward and below the GAV, the mathematical model calls for increasing allocations to the FPAs. Such allocations mitigate the decline in the Contract Value relative to the decline in the values of the Investment Options. However, in the event of a one-day market crash, a Contract Value may fall precipitously relative to the guarantee and such a low  $d$  could result. Additionally, when there is very little time remaining until the GAV becomes available, such a low  $d$  may result even if the Contract Value is not much lower than the guarantee.

#### **TABLE 1**

We compute the Adjusted Guarantee to be the product of the guarantee times  $w$ :

$$G = g \times w$$

where  $w$  is derived from the following table based on  $m$ . In turn  $m$  is given by:

$$m = (g - C) / [g - (g / (1 + r)^t)]$$

where:

<b>Notation</b>	<b>Description</b>
$w$	Worth Adjustment Applied to the Guarantee
$m$	Guarantee Ratio
$G$	Adjusted Guarantee
$C$	Contract Value
$g$	The dollar value of the GAV
$r$	Credited Rate
$t$	Time Remaining

For any  $m$  less than 0.725, use  $w = 1.08$ . For any  $m$  greater than five, use  $w = 8.6650$ .

$m$	$w$	$m$	$w$	$m$	$w$
0.000	1.0800	1.50	1.2893	3.5	3.6812
0.700	1.0800	1.55	1.3114	3.6	3.9095
0.725	1.0800	1.60	1.3349	3.7	4.1510
0.750	1.0827	1.65	1.3597	3.8	4.4060
0.775	1.0867	1.70	1.3860	3.9	4.6751
0.800	1.0909	1.75	1.4137	4.0	4.9584
0.825	1.0951	1.80	1.4430	4.1	5.2565
0.850	1.0996	1.85	1.4738	4.2	5.5696
0.875	1.1042	1.90	1.5062	4.3	5.8983
0.900	1.1089	1.95	1.5402	4.4	6.2428
0.925	1.1139	2.00	1.5760	4.5	6.6036
0.950	1.1190	2.05	1.6135	4.6	6.9811
0.975	1.1243	2.10	1.6529	4.7	7.3755
1.000	1.1298	2.15	1.6940	4.8	7.7874
1.025	1.1355	2.20	1.7371	4.9	8.2171
1.050	1.1414	2.25	1.7821	5.0	8.6650
1.075	1.1475	2.30	1.8291		
1.100	1.1538	2.35	1.8782		
1.125	1.1604	2.40	1.9294		
1.150	1.1671	2.45	1.9826		
1.175	1.1742	2.50	2.0381		
1.200	1.1814	2.55	2.0958		
1.225	1.1889	2.60	2.1558		
1.250	1.1966	2.65	2.2182		
1.275	1.2046	2.70	2.2829		
1.300	1.2129	2.75	2.3500		
1.325	1.2214	2.80	2.4196		
1.350	1.2303	2.85	2.4918		
1.375	1.2394	2.90	2.5665		
1.400	1.2487	2.95	2.6438		
1.425	1.2584	3.00	2.7238		
1.450	1.2684	3.05	2.8065		
1.475	1.2787	3.10	2.8920		
1.500	1.2893	3.15	2.9803		
		3.20	3.0714		
		3.25	3.1655		
		3.30	3.2625		
		3.35	3.3626		
		3.40	3.4657		
		3.45	3.5718		
		3.50	3.6812		

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## ANNUITY PAYMENTS

We base Traditional Annuity Payments on the Contract Value. We guarantee the dollar amount of fixed Annuity Payments (equal installments) and this amount does not change except as provided under Annuity Option 3. If you request fixed Annuity Payments, the amount of Contract Value or GMIB value you apply to fixed Annuity Payments is placed in our general account and does not participate in the Investment Options' performance. Fixed Annuity Payments are based on an interest rate and mortality table specified in your Contract. Your Contract's fixed Annuity Payment rates are guaranteed and we cannot use lower rates.

Variable Traditional Annuity Payments are not predetermined and the dollar amount varies with your selected Investment Options' performance. We use annuity units to determine your variable Traditional Annuity Payment amount. Annuity Payments end upon the earliest of the following.

- Under Annuity Options 1 and 3, the death of the last surviving Annuitant.
- Under Annuity Options 2 and 4, the death of the last surviving Annuitant and the end of the guaranteed period. If we make a lump sum payment of the remaining guaranteed Annuity Payments at the death of the last surviving Annuitant, this portion of the Contract ends upon payment of the lump sum.
- Under Annuity Option 5, the death of the Annuitant and payment of any lump sum refund.
- Under Annuity Option 6, the end of the guaranteed period.
- When the Contract ends.

## ANNUITY PAYMENT OPTIONS

The Annuity Payment Options are briefly described in prospectus section 9 – The Annuity Phase, and we included additional information that you may find helpful here.

**Option 1. Life Annuity.** We make Annuity Payments during the life of the Annuitant, and the last payment is the one that is due before the Annuitant's death. If the Annuitant dies shortly after the Income Date, the Payee may receive less than your investment in the Contract.

**Option 2. Life Annuity with Payments Over 5, 10, 15 or 20 Years Guaranteed.** We make Annuity Payments during the life of the Annuitant. If you take one single Full Annuitization and the Annuitant dies before the end of the selected guaranteed period, we continue to make Annuity Payments to the Payee for the rest of the guaranteed period. If the Payee and Annuitant were the same person, we make payments to the Owner. If the Payee, Annuitant and Owner were the same person, we make payments to the Beneficiary(s). Alternatively, the Owner may elect to receive a lump sum payment. Under a Partial Annuitization, if the Annuitant dies before the end of the selected guaranteed period, we make a lump sum payment to the Beneficiary. The lump sum payment is equal to the present value of the remaining guaranteed Annuity Payments as of the date we receive proof of the Annuitant's death and a payment election form at our Service Center. For variable Traditional Annuity Payments, in most states, we base the remaining guaranteed Traditional Annuity Payments on the current value of the annuity units and we use the assumed investment rate to calculate the present value. For fixed payouts, in most states, we calculate the present value of the remaining guaranteed Annuity Payments using the Statutory Calendar Year Interest Rate based on the NAIC Standard Valuation Law for Single Premium Immediate Annuities corresponding to the Income Date. However, some states require us to use different interest rates for variable and fixed payouts for the present value calculation. We require proof of the Annuitant's death and return of the Contract before we make any lump sum payment on a Full Annuitization. There are no additional costs associated with a lump sum payment. If the Annuitant dies after the selected guaranteed period ends, the last payment is the one that is due before the Annuitant's death.

**Option 3. Joint and Last Survivor Annuity.** We make Annuity Payments during the lifetimes of the Annuitant and the joint Annuitant. Upon the death of one Annuitant, Annuity Payments to the Payee continue during the lifetime of the surviving joint Annuitant, at a level of 100%, 75% or 50% selected by the Owner when he or she chose this Annuity Payment option. Annuity Payments stop with the last payment that is due before the last surviving joint Annuitant's death. If both Annuitants die shortly after the Income Date, the Payee may receive less than your investment in the Contract. This Annuity Option is not available under a Partial Annuitization.

**Option 4. Joint and Last Survivor Annuity with Payments Over 5, 10, 15 or 20 Years Guaranteed.** We make Annuity Payments during the lifetimes of the Annuitant and the joint Annuitant. Upon the death of one Annuitant, Annuity Payments continue to the Payee during the lifetime of the surviving joint Annuitant at 100% of the amount that was paid when both Annuitants were alive. However, if both joint Annuitants die before the end of the selected guaranteed period, we continue to make Annuity Payments to the Payee for the rest of the guaranteed period. If the Payee and Annuitant were the same person, we make payments to the Owner. If the Payee, Annuitant and Owner were the same person, we make payments to the Beneficiary(s). Alternatively, the Owner may elect to receive a lump sum payment equal to the present value of the remaining guaranteed Annuity Payments as of the date we receive proof of the last surviving joint Annuitant's death and a payment election form at our Service Center. For variable Traditional Annuity Payments, in most states, we base the remaining guaranteed Traditional Annuity Payments on the current value of the annuity units and we use the assumed investment rate to calculate the present value. For fixed payouts, in most states, we calculate the present value of

the remaining guaranteed Annuity Payments using the Statutory Calendar Year Interest Rate based on the NAIC Standard Valuation Law for Single Premium Immediate Annuities corresponding to the Income Date. However, some states require us to use different interest rates for variable and fixed payouts for the present value calculation. We require proof of death of both joint Annuitants and return of the Contract before we make any lump sum payment. There are no additional costs associated with a lump sum payment. If the last surviving joint Annuitant dies after the selected guaranteed period ends, the last payment is the one that is due before the Annuitant's death. This Annuity Option is not available under a Partial Annuitization.

**Option 5. Refund Life Annuity.** We make Annuity Payments during the lifetime of the Annuitant, and the last payment is the one that is due before the Annuitant's death. After the Annuitant's death, the Payee may receive a lump sum refund. For a fixed payout, the amount of the refund equals the amount applied to this Annuity Option minus the total paid under this option.

For variable Traditional Annuity Payments, the amount of the refund depends on the current Investment Option allocation and is the sum of refund amounts attributable to each Investment Option. We calculate the refund amount for a given Investment Option using the following formula.

$$(A) \times \{[(B) \times (C) \times (D)] / (E) - [(D) \times (F)]\}$$

where:

- (A) = annuity unit value of the subaccount for that given Investment Option when due proof of the Annuitant's death is received at our Service Center.
- (B) = The amount applied to variable Traditional Annuity Payments on the Income Date.
- (C) = Allocation percentage in a given subaccount (in decimal form) when due proof of the Annuitant's death is received at our Service Center.
- (D) = The number of annuity units used in determining each variable Traditional Annuity Payment attributable to that given subaccount when due proof of the Annuitant's death is received at our Service Center.
- (E) = Dollar value of first variable Traditional Annuity Payment.
- (F) = Number of variable Traditional Annuity Payments made since the Income Date.

We base this calculation upon the allocation of annuity units actually in force at the time due proof of the Annuitant's death is received at our Service Center. We do not pay a refund if the total refund determined using the above calculation is less than or equal to zero.

#### EXAMPLE

- The Contract has one Owner who is a 65-year-old male. He selects variable Traditional Annuity Payments under Annuity Option 5 based on a Contract Value of \$100,000 (item "B").
- The Owner who is also the Annuitant allocates all the Contract Value to one Investment Option, so the allocation percentage in this subaccount is 100% (item "C").
- The purchase rate for the selected assumed investment rate is \$6.15 per month per thousand dollars of Contract Value annuitized. Therefore, the first variable Annuity Payment is:  $\$6.15 \times (\$100,000 / \$1,000) = \$615$  (item "E").
- Assume the annuity unit value on the Income Date is \$12, then the number of annuity units used in determining each Traditional Annuity Payment is:  $\$615 / \$12 = 51.25$  (item "D").
- The Owner who is also the Annuitant dies after receiving 62 Traditional Annuity Payments (item "F") and the annuity unit value for the subaccount on the date the Service Center receives due proof of death is \$10 (item "A").

#### We calculate the refund as follows:

$$(A) \times \{[(B) \times (C) \times (D)] / (E) - [(D) \times (F)]\} = 10 \times \{[100,000 \times 1.00 \times (51.25 / 615)] - [51.25 \times 62]\} =$$

$$10 \times \{[100,000 \times 0.083333] - 3,177.50\} = 10 \times \{8,333.33 - 3,177.50\} = 10 \times 5,155.83 = \$51,558.30$$

#### ANNUITY UNITS/CALCULATING VARIABLE TRADITIONAL ANNUITY PAYMENTS

The first variable Traditional Annuity Payment is equal to the Contract Value you apply to variable Traditional Annuity Payments on the Income Date, divided first by \$1,000 and then multiplied by the appropriate variable annuity payout factor for each \$1,000 of value for your selected Annuity Option.

We then purchase a fixed number of annuity units on the Income Date for each subaccount of the Investment Options you select. We do this by dividing the amount of the first Traditional Annuity Payment among your selected Investment Options' subaccounts according to your future Purchase Payment allocation instructions. We then divide the Annuity Payment amount in each subaccount by the subaccount's annuity unit value.

We determine the annuity unit value on each Business Day as follows:

- we multiply the annuity unit value for the immediately preceding Business Day by the net investment factor for the current Business Day; and
- divide by the assumed net investment factor for the current Business Day.

The assumed net investment factor for the current Business Day is one plus the annual assumed investment rate (AIR) adjusted to reflect the number of calendar days that lapsed since the immediately preceding Business Day. We allow an AIR of 3%, 5% or 7% based on your selection and applicable state law.

Thereafter, the number of subaccount annuity units remains unchanged unless you make a transfer. However, the number of annuity units changes if Annuity Option 3 is in effect, one Annuitant dies, and you requested Traditional Annuity Payments at 75% or 50% of the previous payment amount. All calculations appropriately reflect your selected payment frequency.

The Traditional Annuity Payment on each subsequent payment date is equal to the sum of the Traditional Annuity Payments for each subaccount. We determine the Traditional Annuity Payment for each subaccount by multiplying the subaccount's number of annuity units by the annuity unit value on the payment date.

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## FINANCIAL STATEMENTS

The audited statutory financial statements of Allianz Life as of and for the year ended December 31, 2020 and 2019 are included in Part C of the Registration Statement and are incorporated herein by reference. The statutory financial statements should be considered only as bearing upon the ability of Allianz Life to meet its obligations under the Contracts. The audited financial statements of the Separate Account as of and for the year or periods ended December 31, 2020 and 2019 are included in Appendix C.

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## APPENDIX A – DEATH OF THE OWNER AND/OR ANNUITANT

The following tables are intended to help you better understand what happens upon the death of any Owner and/or Annuitant under the different portions of the Contract.

### UPON THE DEATH OF A SOLE OWNER

Action under any portion of the Contract that is in the Accumulation Phase	Action under any portion of the Contract that is in the Annuity Phase
<ul style="list-style-type: none"><li>• If this is an Inherited IRA Contract the Beneficiary can either:<ul style="list-style-type: none"><li>– continue to receive required minimum distribution payments based on the remaining life expectancy of the deceased Owner and the Contract Value as of the Business Day we receive a Valid Claim, or</li><li>– receive a lump sum payment of the Contract Value as of the Business Day we receive a Valid Claim.</li></ul></li><li>• For all other Contracts, we pay a death benefit to the Beneficiary unless the Beneficiary is the surviving spouse and continues the Contract. If you selected the Living Guarantees the GAV Benefit continues until the Contract ends or is fully annuitized, and unless the Contract is continued by a surviving spouse/Beneficiary the GWB ends and the GMIB is no longer available. For a description of the death benefit and payout options, see prospectus section 10, Death Benefit - Death Benefit Payment Options During the Accumulation Phase.</li><li>• The death benefit is the greater of the Contract Value or the guaranteed death benefit value.<ul style="list-style-type: none"><li>– Under the Traditional GMDB the guaranteed death benefit value is total Purchase Payments adjusted for withdrawals.</li><li>– Under the Enhanced GMDB the guaranteed death benefit value is the greater of total Purchase Payments adjusted for withdrawals, or the MAV.</li></ul></li><li>• If a surviving spouse Beneficiary continues the Contract, as of the end of the Business Day we receive their Valid Claim:<ul style="list-style-type: none"><li>– we increase the Contract Value to equal the guaranteed death benefit value if greater, and the death benefit continues to be available to the surviving spouse's Beneficiary(s),</li><li>– the surviving spouse becomes the new Owner, and</li><li>– the Accumulation Phase continues.</li></ul></li></ul>	<ul style="list-style-type: none"><li>• The Beneficiary becomes the Payee. If we are still required to make Annuity Payments under the selected Annuity Option, the Beneficiary also becomes the new Owner.</li><li>• If the deceased was not an Annuitant, Annuity Payments to the Payee continue. No death benefit is payable.</li><li>• If the deceased was the only surviving Annuitant, Annuity Payments end or continue as follows.<ul style="list-style-type: none"><li>– Annuity Option 1 or 3, payments end.</li><li>– Annuity Option 2 or 4, payments end when the guaranteed period ends, or when we pay any final lump sum.</li><li>– Annuity Option 5, payments end and the Payee may receive a lump sum refund.</li><li>– Annuity Option 6, payments end when the guaranteed period ends.</li></ul></li><li>• If the deceased was an Annuitant and there is a surviving joint Annuitant, Annuity Payments to the Payee continue during the lifetime of the surviving joint Annuitant. No death benefit is payable.</li></ul>

## UPON THE DEATH OF A JOINT OWNER

(NOTE: Joint Owners cannot take Partial Annuitizations)

### Action under any portion of the Contract that is in the Accumulation Phase

- The surviving Joint Owner is the sole primary Beneficiary. If the Joint Owners were spouses there may also be contingent Beneficiaries.
- We pay a death benefit to the surviving Joint Owner unless he or she is the surviving spouse and continues the Contract. If you selected the Living Guarantees the GAV Benefit continues until the Contract ends or is fully annuitized, and unless the Contract is continued by the surviving Joint Owner who is also a surviving spouse the GWB ends and the GMIB is no longer available.
- The death benefit is the greater of the Contract Value or the guaranteed death benefit value.
  - Under the Traditional GMDB the guaranteed death benefit value is total Purchase Payments adjusted for withdrawals.
  - Under the Enhanced GMDB the guaranteed death benefit value is the greater of total Purchase Payments adjusted for withdrawals, or the MAV.
- If a surviving Joint Owner who is also a surviving spouse continues the Contract, as of the end of the Business Day we receive their Valid Claim:
  - we increase the Contract Value to equal the guaranteed death benefit value if greater, and the death benefit continues to be available to the surviving spouse's Beneficiary(s),
  - the surviving Joint Owner/spouse becomes the new Owner, and
  - the Accumulation Phase continues.

### Action under any portion of the Contract that is in the Annuity Phase

- If we are still required to make Annuity Payments under the selected Annuity Option, the surviving Joint Owner becomes the sole Owner.
- If the deceased was not an Annuitant, Annuity Payments to the Payee continue. No death benefit is payable.
- If the deceased was the only surviving Annuitant, Annuity Payments end or continue as follows.
  - Annuity Option 1 or 3, payments end.
  - Annuity Option 2 or 4, payments end either when the guaranteed period ends, or when we pay any final lump sum.
  - Annuity Option 5, payments end and the Payee may receive a lump sum refund.
  - Annuity Option 6, payments end when the guaranteed period ends.
- If the deceased was an Annuitant and there is a surviving joint Annuitant, Annuity Payments to the Payee continue during the lifetime of the surviving joint Annuitant. No death benefit is payable.

## UPON THE DEATH OF AN ANNUITANT AND THERE IS NO SURVIVING JOINT ANNUITANT

### Action under any portion of the Contract that is in the Accumulation Phase

- If the deceased Annuitant was not an Owner, and the Contract is owned only by an individual(s), we do not pay a death benefit. The Owner can name a new Annuitant subject to our approval.
- If the deceased Annuitant was a sole Owner, we pay a death benefit as discussed in the “Upon the Death of a Sole Owner” table. If the Contract is continued by a surviving spouse, the new spouse Owner can name a new Annuitant subject to our approval.
- If the deceased Annuitant was a Joint Owner, we pay a death benefit as discussed in the “Upon the Death of a Joint Owner” table. If the Contract is continued by a surviving Joint Owner who is also a surviving spouse, the surviving Joint Owner can name a new Annuitant subject to our approval.
- If the Contract is owned by a non-individual, we treat the death of the Annuitant as the death of a sole Owner, and we pay a death benefit as discussed in the “Upon the Death of a Sole Owner” table. **NOTE: For non-individually owned Contracts, spousal continuation is only available if the Contract is Qualified, owned by a qualified plan or a custodian, and the surviving spouse is named as the primary beneficiary under the qualified plan or custodial account.**

### Action under any portion of the Contract that is in the Annuity Phase

- If the deceased was the only surviving Annuitant, Annuity Payments end or continue as follows.
  - Annuity Option 1 or 3, payments end.
  - Annuity Option 2 or 4, payments end either when the guaranteed period ends, or when we pay any final lump sum.
  - Annuity Option 5, payments end and the Payee may receive a lump sum refund.
  - Annuity Option 6, payments end when the guaranteed period ends.
- If we are still required to make Annuity Payments under the selected Annuity Option and the deceased was a sole Owner, the Beneficiary becomes the new sole Owner.
- If we are still required to make Annuity Payments under the selected Annuity Option and the deceased was a Joint Owner, the surviving Joint Owner becomes the sole Owner.

## UPON THE DEATH OF THE ANNUITANT DURING THE ANNUITY PHASE AND THERE IS A SURVIVING JOINT ANNUITANT

(NOTE: We only allow joint Annuitants on Full Annuitization, so the Accumulation Phase has ended)

- Only Annuity Options 3 and 4 allow joint Annuitants. Under Annuity Options 3, Annuity Payments to the Payee continue during the lifetime of the surviving joint Annuitant. Under Annuity Option 4, Annuity Payments to the Payee continue until either the guaranteed period ends, or when we pay any final lump sum.
- No death benefit is payable.
- If we are still required to make Annuity Payments under the selected Annuity Option and the deceased was a sole Owner, the Beneficiary becomes the new Owner.
- If we are still required to make Annuity Payments under the selected Annuity Option and the deceased was a Joint Owner, the surviving Joint Owner becomes the sole Owner.



## APPENDIX B – CONDENSED FINANCIAL INFORMATION

The financial statements of Allianz Life Insurance Company of North America are included in Part C of the Registration Statement.

This Appendix has AUV information as of December 31, 2020 for the 1.40% M&E charges for the Original Contract issued before June 22, 2007 and May 2005 Contract with the Traditional GMDB, and for the 1.45% M&E charge for February 2007 Contract and the Original Contract issued on or after June 22, 2007 with the Enhanced GMDB.

Prospectus Appendix B has AUV information as of December 31, 2020 for the 1.25% M&E charge for the February 2007 Contracts and Original Contracts issued on or after June 22, 2007 with the Traditional GMDB, and the 1.60% M&E charge for Original Contracts issued on or after June 22, 2007 and May 2005 Contracts with the Enhanced GMDB.

This information should be read in conjunction with the financial statements and related notes of the Separate Account included in Appendix C.

Additional Combinations of Benefit Options	Separate Account Annual Expenses
Original Contracts issued before June 22, 2007 and May 2005 Contracts with Traditional GMDB.....	1.40%
February 2007 Contracts and Original Contracts issued on or after June 22, 2007 with Enhanced GMDB.....	1.45%

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>AZL Balanced Index Strategy Fund</b>				
<b>1.40%</b>				
	12/31/2011	10.934	11.042	17
	12/31/2012	11.042	12.008	37
	12/31/2013	12.008	13.372	76
	12/31/2014	13.372	13.993	49
	12/31/2015	13.993	13.800	120
	12/31/2016	13.800	14.527	137
	12/31/2017	14.527	15.973	147
	12/31/2018	15.973	15.063	137
	12/31/2019	15.063	17.414	131
	12/31/2020	17.414	19.274	102
<b>1.45%</b>				
	12/31/2011	10.927	11.030	75
	12/31/2012	11.030	11.989	103
	12/31/2013	11.989	13.344	120
	12/31/2014	13.344	13.957	107
	12/31/2015	13.957	13.757	58
	12/31/2016	13.757	14.475	47
	12/31/2017	14.475	15.908	40
	12/31/2018	15.908	14.994	31
	12/31/2019	14.994	17.326	20
	12/31/2020	17.326	19.167	23
<b>AZL DFA Five-Year Global Fixed Income Fund</b>				
<b>1.40%</b>				
	12/31/2017	N/A	9.868	2
	12/31/2018	9.868	9.843	3
	12/31/2019	9.843	10.046	4
	12/31/2020	10.046	9.963	8
<b>1.45%</b>				
	12/31/2017	N/A	9.854	0
	12/31/2018	9.854	9.825	0
	12/31/2019	9.825	10.023	0
	12/31/2020	10.023	9.934	0

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>AZL DFA Multi-Strategy Fund</b>				
<b>1.40%</b>				
	12/31/2011	11.259	11.104	23
	12/31/2012	11.104	12.408	39
	12/31/2013	12.408	14.814	85
	12/31/2014	14.814	15.561	103
	12/31/2015	15.561	15.242	74
	12/31/2016	15.242	16.432	63
	12/31/2017	16.432	18.260	66
	12/31/2018	18.260	16.941	50
	12/31/2019	16.941	19.475	43
	12/31/2020	19.475	21.247	38
<b>1.45%</b>				
	12/31/2011	11.252	11.092	130
	12/31/2012	11.092	12.388	166
	12/31/2013	12.388	14.783	211
	12/31/2014	14.783	15.521	156
	12/31/2015	15.521	15.195	122
	12/31/2016	15.195	16.373	87
	12/31/2017	16.373	18.185	88
	12/31/2018	18.185	16.864	55
	12/31/2019	16.864	19.376	53
	12/31/2020	19.376	21.128	26
<b>AZL Fidelity Institutional Asset Management Total Bond Fund</b>				
<b>1.40%</b>				
	12/31/2016	N/A	10.205	383
	12/31/2017	10.205	10.493	355
	12/31/2018	10.493	10.217	259
	12/31/2019	10.217	11.111	273
	12/31/2020	11.111	11.925	253
<b>1.45%</b>				
	12/31/2016	N/A	9.998	77
	12/31/2017	9.998	10.275	60
	12/31/2018	10.275	10.000	41
	12/31/2019	10.000	10.869	50
	12/31/2020	10.869	11.659	32
<b>AZL Government Money Market Fund</b>				
<b>1.40%</b>				
	12/31/2011	10.952	10.801	1,608
	12/31/2012	10.801	10.650	3,616
	12/31/2013	10.650	10.502	3,228
	12/31/2014	10.502	10.357	2,559
	12/31/2015	10.357	10.213	2,208
	12/31/2016	10.213	10.072	1,842
	12/31/2017	10.072	9.937	1,543
	12/31/2018	9.937	9.898	1,374
	12/31/2019	9.898	9.896	1,540
	12/31/2020	9.896	9.778	1,449

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
1.45%	12/31/2011	10.893	10.736	434
	12/31/2012	10.736	10.581	508
	12/31/2013	10.581	10.429	740
	12/31/2014	10.429	10.280	452
	12/31/2015	10.280	10.132	300
	12/31/2016	10.132	9.987	253
	12/31/2017	9.987	9.849	217
	12/31/2018	9.849	9.805	180
	12/31/2019	9.805	9.798	159
	12/31/2020	9.798	9.676	170
<b>AZL International Index Fund</b>				
1.40%	12/31/2011	10.310	8.868	28
	12/31/2012	8.868	10.321	77
	12/31/2013	10.321	12.351	114
	12/31/2014	12.351	11.426	114
	12/31/2015	11.426	11.111	115
	12/31/2016	11.111	10.997	2,078
	12/31/2017	10.997	13.531	2,014
	12/31/2018	13.531	11.468	1,449
	12/31/2019	11.468	13.734	1,509
	12/31/2020	13.734	14.545	1,423
1.45%	12/31/2011	10.304	8.858	76
	12/31/2012	8.858	10.305	32
	12/31/2013	10.305	12.325	59
	12/31/2014	12.325	11.397	36
	12/31/2015	11.397	11.077	20
	12/31/2016	11.077	10.958	285
	12/31/2017	10.958	13.475	250
	12/31/2018	13.475	11.415	128
	12/31/2019	11.415	13.664	146
	12/31/2020	13.664	14.463	65
<b>AZL Mid Cap Index Fund</b>				
1.40%	12/31/2011	10.670	10.278	49
	12/31/2012	10.278	11.879	87
	12/31/2013	11.879	15.546	163
	12/31/2014	15.546	16.742	147
	12/31/2015	16.742	16.068	155
	12/31/2016	16.068	18.938	748
	12/31/2017	18.938	21.636	687
	12/31/2018	21.636	18.913	481
	12/31/2019	18.913	23.364	492
	12/31/2020	23.364	26.386	434
1.45%	12/31/2011	10.667	10.270	29
	12/31/2012	10.270	11.864	51
	12/31/2013	11.864	15.518	74
	12/31/2014	15.518	16.703	71
	12/31/2015	16.703	16.023	48
	12/31/2016	16.023	18.875	151
	12/31/2017	18.875	21.553	149
	12/31/2018	21.553	18.831	76
	12/31/2019	18.831	23.251	89
	12/31/2020	23.251	26.245	44

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>AZL Moderate Index Strategy Fund</b>				
1.40%				
	12/31/2011	12.850	12.395	182
	12/31/2012	12.395	13.678	685
	12/31/2013	13.678	16.814	882
	12/31/2014	16.814	17.990	679
	12/31/2015	17.990	17.302	550
	12/31/2016	17.302	18.581	434
	12/31/2017	18.581	20.761	450
	12/31/2018	20.761	19.411	340
	12/31/2019	19.411	22.841	352
	12/31/2020	22.841	25.414	313
1.45%				
	12/31/2011	12.807	12.348	123
	12/31/2012	12.348	13.618	183
	12/31/2013	13.618	16.733	245
	12/31/2014	16.733	17.894	209
	12/31/2015	17.894	17.201	168
	12/31/2016	17.201	18.464	122
	12/31/2017	18.464	20.619	105
	12/31/2018	20.619	19.270	44
	12/31/2019	19.270	22.662	45
	12/31/2020	22.662	25.203	21
<b>AZL MSCI Emerging Markets Equity Index Fund</b>				
1.40%				
	12/31/2011	11.985	9.778	253
	12/31/2012	9.778	11.670	701
	12/31/2013	11.670	11.266	848
	12/31/2014	11.266	10.530	696
	12/31/2015	10.530	9.045	540
	12/31/2016	9.045	9.802	539
	12/31/2017	9.802	13.206	569
	12/31/2018	13.206	11.008	390
	12/31/2019	11.008	12.721	402
	12/31/2020	12.721	14.665	356
1.45%				
	12/31/2011	11.957	9.750	55
	12/31/2012	9.750	11.631	100
	12/31/2013	11.631	11.223	144
	12/31/2014	11.223	10.484	113
	12/31/2015	10.484	9.002	66
	12/31/2016	9.002	9.750	43
	12/31/2017	9.750	13.129	79
	12/31/2018	13.129	10.939	40
	12/31/2019	10.939	12.634	43
	12/31/2020	12.634	14.558	9
<b>AZL MVP Balanced Index Strategy Fund</b>				
1.40%				
	12/31/2015	N/A	12.227	2
	12/31/2016	12.227	12.854	5
	12/31/2017	12.854	14.121	7
	12/31/2018	14.121	13.305	6
	12/31/2019	13.305	15.340	20
	12/31/2020	15.340	16.030	20

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
1.45%	12/31/2015	N/A	12.203	3
	12/31/2016	12.203	12.822	3
	12/31/2017	12.822	14.079	6
	12/31/2018	14.079	13.259	4
	12/31/2019	13.259	15.279	5
	12/31/2020	15.279	15.958	4
<b>AZL MVP Fusion Balanced Fund</b>				
1.40%	12/31/2011	11.868	11.598	255
	12/31/2012	11.598	12.739	1,097
	12/31/2013	12.739	14.001	1,123
	12/31/2014	14.001	14.439	912
	12/31/2015	14.439	13.989	694
	12/31/2016	13.989	14.612	525
	12/31/2017	14.612	16.171	479
	12/31/2018	16.171	15.084	362
	12/31/2019	15.084	17.219	361
	12/31/2020	17.219	17.621	326
1.45%	12/31/2011	11.835	11.559	314
	12/31/2012	11.559	12.690	343
	12/31/2013	12.690	13.940	362
	12/31/2014	13.940	14.370	335
	12/31/2015	14.370	13.914	245
	12/31/2016	13.914	14.527	158
	12/31/2017	14.527	16.069	142
	12/31/2018	16.069	14.981	102
	12/31/2019	14.981	17.093	99
	12/31/2020	17.093	17.483	75
<b>AZL MVP Fusion Moderate Fund</b>				
1.40%	12/31/2011	11.559	11.075	570
	12/31/2012	11.075	12.289	2,551
	12/31/2013	12.289	13.956	2,758
	12/31/2014	13.956	14.345	2,300
	12/31/2015	14.345	13.847	1,768
	12/31/2016	13.847	14.299	1,361
	12/31/2017	14.299	16.072	1,262
	12/31/2018	16.072	14.824	904
	12/31/2019	14.824	17.147	926
	12/31/2020	17.147	17.675	799
1.45%	12/31/2011	11.526	11.038	423
	12/31/2012	11.038	12.242	711
	12/31/2013	12.242	13.896	906
	12/31/2014	13.896	14.276	692
	12/31/2015	14.276	13.773	540
	12/31/2016	13.773	14.216	370
	12/31/2017	14.216	15.971	343
	12/31/2018	15.971	14.722	197
	12/31/2019	14.722	17.022	184
	12/31/2020	17.022	17.537	134

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>AZL MVP Growth Index Strategy Fund</b>				
1.40%				
	12/31/2015	N/A	13.398	1
	12/31/2016	13.398	14.110	1,241
	12/31/2017	14.110	16.136	1,221
	12/31/2018	16.136	14.884	845
	12/31/2019	14.884	17.689	875
	12/31/2020	17.689	18.267	706
1.45%				
	12/31/2015	N/A	13.372	0
	12/31/2016	13.372	14.075	177
	12/31/2017	14.075	16.087	157
	12/31/2018	16.087	14.832	101
	12/31/2019	14.832	17.619	115
	12/31/2020	17.619	18.185	90
<b>AZL Russell 1000 Growth Index Fund</b>				
1.40%				
	12/31/2016	N/A	18.712	1,456
	12/31/2017	18.712	23.783	1,312
	12/31/2018	23.783	22.948	937
	12/31/2019	22.948	30.613	901
	12/31/2020	30.613	41.833	747
1.45%				
	12/31/2016	N/A	19.226	152
	12/31/2017	19.226	24.425	140
	12/31/2018	24.425	23.556	68
	12/31/2019	23.556	31.407	73
	12/31/2020	31.407	42.897	29
<b>AZL Russell 1000 Value Index Fund</b>				
1.40%				
	12/31/2016	N/A	17.738	1,783
	12/31/2017	17.738	19.769	1,587
	12/31/2018	19.769	17.793	1,192
	12/31/2019	17.793	22.083	1,182
	12/31/2020	22.083	22.212	1,089
1.45%				
	12/31/2016	N/A	17.660	229
	12/31/2017	17.660	19.673	169
	12/31/2018	19.673	17.697	75
	12/31/2019	17.697	21.954	85
	12/31/2020	21.954	22.071	29
<b>AZL S&amp;P 500 Index Fund Class 1</b>				
1.40%				
	12/31/2016	N/A	15.702	163
	12/31/2017	15.702	18.829	136
	12/31/2018	18.829	17.707	102
	12/31/2019	17.707	22.921	92
	12/31/2020	22.921	26.630	54

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>AZL S&amp;P 500 Index Fund Class 2</b>				
<b>1.40%</b>				
	12/31/2011	8.489	8.502	592
	12/31/2012	8.502	9.675	1,771
	12/31/2013	9.675	12.561	2,463
	12/31/2014	12.561	14.011	2,160
	12/31/2015	14.011	13.948	1,773
	12/31/2016	13.948	15.329	2,918
	12/31/2017	15.329	18.345	2,703
	12/31/2018	18.345	17.213	1,934
	12/31/2019	17.213	22.216	1,934
	12/31/2020	22.216	25.740	1,848
<b>1.45%</b>				
	12/31/2011	8.474	8.482	349
	12/31/2012	8.482	9.648	533
	12/31/2013	9.648	12.519	728
	12/31/2014	12.519	13.958	537
	12/31/2015	13.958	13.887	546
	12/31/2016	13.887	15.255	538
	12/31/2017	15.255	18.247	376
	12/31/2018	18.247	17.113	227
	12/31/2019	17.113	22.076	227
	12/31/2020	22.076	25.565	121
<b>AZL Small Cap Stock Index Fund</b>				
<b>1.40%</b>				
	12/31/2011	9.678	9.571	257
	12/31/2012	9.571	10.930	819
	12/31/2013	10.930	15.156	1,157
	12/31/2014	15.156	15.727	867
	12/31/2015	15.727	15.122	721
	12/31/2016	15.122	18.745	1,645
	12/31/2017	18.745	20.841	1,508
	12/31/2018	20.841	18.715	1,093
	12/31/2019	18.715	22.551	1,095
	12/31/2020	22.551	24.618	1,013
<b>1.45%</b>				
	12/31/2011	9.660	9.549	149
	12/31/2012	9.549	10.899	170
	12/31/2013	10.899	15.105	208
	12/31/2014	15.105	15.667	135
	12/31/2015	15.667	15.056	84
	12/31/2016	15.056	18.655	171
	12/31/2017	18.655	20.730	149
	12/31/2018	20.730	18.606	84
	12/31/2019	18.606	22.408	87
	12/31/2020	22.408	24.450	33

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>AZL T. Rowe Price Capital Appreciation Fund</b>				
<b>1.40%</b>				
	12/31/2011	11.422	10.791	581
	12/31/2012	10.791	11.951	2,160
	12/31/2013	11.951	15.314	2,681
	12/31/2014	15.314	16.879	2,121
	12/31/2015	16.879	17.487	1,793
	12/31/2016	17.487	18.596	1,651
	12/31/2017	18.596	21.096	1,638
	12/31/2018	21.096	20.880	1,205
	12/31/2019	20.880	25.609	1,207
	12/31/2020	25.609	29.666	995
<b>1.45%</b>				
	12/31/2011	11.370	10.736	154
	12/31/2012	10.736	11.885	224
	12/31/2013	11.885	15.221	282
	12/31/2014	15.221	16.768	234
	12/31/2015	16.768	17.364	193
	12/31/2016	17.364	18.455	139
	12/31/2017	18.455	20.926	137
	12/31/2018	20.926	20.701	92
	12/31/2019	20.701	25.377	91
	12/31/2020	25.377	29.383	47
<b>BlackRock Global Allocation V.I. Fund</b>				
<b>1.40%</b>				
	12/31/2011	10.220	9.712	272
	12/31/2012	9.712	10.530	581
	12/31/2013	10.530	11.881	779
	12/31/2014	11.881	11.942	698
	12/31/2015	11.942	11.658	565
	12/31/2016	11.658	11.934	500
	12/31/2017	11.934	13.381	458
	12/31/2018	13.381	12.194	333
	12/31/2019	12.194	14.160	279
	12/31/2020	14.160	16.854	273
<b>1.45%</b>				
	12/31/2011	10.207	9.694	175
	12/31/2012	9.694	10.506	207
	12/31/2013	10.506	11.847	250
	12/31/2014	11.847	11.902	216
	12/31/2015	11.902	11.614	152
	12/31/2016	11.614	11.882	95
	12/31/2017	11.882	13.317	79
	12/31/2018	13.317	12.129	45
	12/31/2019	12.129	14.077	35
	12/31/2020	14.077	16.747	25



Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>Davis VA Financial Portfolio</b>				
<b>1.40%</b>				
	12/31/2011	12.771	11.592	59
	12/31/2012	11.592	13.582	173
	12/31/2013	13.582	17.580	221
	12/31/2014	17.580	19.562	161
	12/31/2015	19.562	19.677	125
	12/31/2016	19.677	22.169	110
	12/31/2017	22.169	26.544	106
	12/31/2018	26.544	23.380	78
	12/31/2019	23.380	29.017	68
	12/31/2020	29.017	26.899	61
<b>1.45%</b>				
	12/31/2011	12.702	11.523	15
	12/31/2012	11.523	13.494	27
	12/31/2013	13.494	17.458	36
	12/31/2014	17.458	19.417	29
	12/31/2015	19.417	19.521	20
	12/31/2016	19.521	21.982	13
	12/31/2017	21.982	26.307	26
	12/31/2018	26.307	23.160	15
	12/31/2019	23.160	28.729	18
	12/31/2020	28.729	26.619	2
<b>Franklin Allocation VIP Fund</b>				
<b>1.40%</b>				
	12/31/2011	8.165	7.927	25
	12/31/2012	7.927	9.015	80
	12/31/2013	9.015	11.003	101
	12/31/2014	11.003	11.159	102
	12/31/2015	11.159	10.320	82
	12/31/2016	10.320	11.518	63
	12/31/2017	11.518	12.718	61
	12/31/2018	12.718	11.331	46
	12/31/2019	11.331	13.392	48
	12/31/2020	13.392	14.756	40
<b>1.45%</b>				
	12/31/2011	8.150	7.909	170
	12/31/2012	7.909	8.990	188
	12/31/2013	8.990	10.967	225
	12/31/2014	10.967	11.117	214
	12/31/2015	11.117	10.276	140
	12/31/2016	10.276	11.463	109
	12/31/2017	11.463	12.652	79
	12/31/2018	12.652	11.266	38
	12/31/2019	11.266	13.309	48
	12/31/2020	13.309	14.657	42

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>Franklin Income VIP Fund</b>				
<b>1.40%</b>				
	12/31/2011	49.967	50.449	193
	12/31/2012	50.449	56.037	669
	12/31/2013	56.037	62.962	809
	12/31/2014	62.962	64.952	653
	12/31/2015	64.952	59.531	474
	12/31/2016	59.531	66.936	399
	12/31/2017	66.936	72.392	369
	12/31/2018	72.392	68.308	254
	12/31/2019	68.308	78.175	271
	12/31/2020	78.175	77.620	216
<b>1.45%</b>				
	12/31/2011	49.422	49.873	61
	12/31/2012	49.873	55.370	124
	12/31/2013	55.370	62.181	170
	12/31/2014	62.181	64.115	125
	12/31/2015	64.115	58.734	73
	12/31/2016	58.734	66.006	51
	12/31/2017	66.006	71.352	44
	12/31/2018	71.352	67.292	25
	12/31/2019	67.292	76.974	27
	12/31/2020	76.974	76.390	16
<b>Franklin Mutual Shares VIP Fund</b>				
<b>1.40%</b>				
	12/31/2011	20.410	19.917	384
	12/31/2012	19.917	22.436	1,544
	12/31/2013	22.436	28.376	1,861
	12/31/2014	28.376	29.974	1,424
	12/31/2015	29.974	28.099	1,087
	12/31/2016	28.099	32.157	899
	12/31/2017	32.157	34.358	834
	12/31/2018	34.358	30.807	574
	12/31/2019	30.807	37.235	605
	12/31/2020	37.235	34.865	503
<b>1.45%</b>				
	12/31/2011	20.266	19.767	118
	12/31/2012	19.767	22.255	247
	12/31/2013	22.255	28.134	343
	12/31/2014	28.134	29.703	248
	12/31/2015	29.703	27.831	171
	12/31/2016	27.831	31.835	123
	12/31/2017	31.835	33.997	109
	12/31/2018	33.997	30.467	58
	12/31/2019	30.467	36.807	67
	12/31/2020	36.807	34.446	36

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>Franklin Rising Dividends VIP Fund</b>				
1.40%				
	12/31/2011	36.674	38.335	112
	12/31/2012	38.335	42.321	341
	12/31/2013	42.321	54.122	438
	12/31/2014	54.122	58.025	348
	12/31/2015	58.025	55.131	268
	12/31/2016	55.131	63.086	242
	12/31/2017	63.086	75.001	215
	12/31/2018	75.001	70.200	158
	12/31/2019	70.200	89.459	153
	12/31/2020	89.459	102.300	127
1.45%				
	12/31/2011	36.329	37.955	3
	12/31/2012	37.955	41.880	16
	12/31/2013	41.880	53.531	25
	12/31/2014	53.531	57.363	19
	12/31/2015	57.363	54.475	14
	12/31/2016	54.475	62.304	11
	12/31/2017	62.304	74.034	10
	12/31/2018	74.034	69.260	7
	12/31/2019	69.260	88.217	7
	12/31/2020	88.217	100.829	4
<b>Franklin U.S. Government Securities VIP Fund</b>				
1.40%				
	12/31/2011	29.342	30.578	277
	12/31/2012	30.578	30.720	418
	12/31/2013	30.720	29.615	417
	12/31/2014	29.615	30.191	355
	12/31/2015	30.191	29.913	307
	12/31/2016	29.913	29.693	267
	12/31/2017	29.693	29.673	243
	12/31/2018	29.673	29.357	186
	12/31/2019	29.357	30.463	169
	12/31/2020	30.463	31.189	157
1.45%				
	12/31/2011	29.023	30.232	63
	12/31/2012	30.232	30.356	75
	12/31/2013	30.356	29.249	71
	12/31/2014	29.249	29.804	61
	12/31/2015	29.804	29.514	41
	12/31/2016	29.514	29.282	32
	12/31/2017	29.282	29.248	27
	12/31/2018	29.248	28.922	18
	12/31/2019	28.922	29.997	18
	12/31/2020	29.997	30.696	16
<b>Invesco Oppenheimer V.I. Global Strategic Income Fund/VA</b>				
1.40%				
	12/31/2012	N/A	27.281	25
	12/31/2013	27.281	26.866	32
	12/31/2014	26.866	27.244	28
	12/31/2015	27.244	26.258	25
	12/31/2016	26.258	27.585	24
	12/31/2017	27.585	28.908	13
	12/31/2018	28.908	27.251	10
	12/31/2019	27.251	29.775	10
	12/31/2020	29.775	30.359	9

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
1.45%				
	12/31/2012	N/A	27.013	0
	12/31/2013	27.013	26.589	0
	12/31/2014	26.589	26.950	0
	12/31/2015	26.950	25.962	0
	12/31/2016	25.962	27.260	0
	12/31/2017	27.260	28.554	0
	12/31/2018	28.554	26.903	0
	12/31/2019	26.903	29.380	0
	12/31/2020	29.380	29.941	0
<b>PIMCO VIT All Asset Portfolio</b>				
1.40%				
	12/31/2011	15.218	15.300	286
	12/31/2012	15.300	17.341	658
	12/31/2013	17.341	17.147	688
	12/31/2014	17.147	16.989	614
	12/31/2015	16.989	15.247	447
	12/31/2016	15.247	16.979	422
	12/31/2017	16.979	19.011	386
	12/31/2018	19.011	17.731	287
	12/31/2019	17.731	19.565	287
	12/31/2020	19.565	20.838	246
1.45%				
	12/31/2011	14.322	14.393	156
	12/31/2012	14.393	16.304	207
	12/31/2013	16.304	16.113	198
	12/31/2014	16.113	15.957	166
	12/31/2015	15.957	14.314	64
	12/31/2016	14.314	15.932	42
	12/31/2017	15.932	17.829	33
	12/31/2018	17.829	16.621	19
	12/31/2019	16.621	18.331	14
	12/31/2020	18.331	19.513	10
<b>PIMCO VIT CommodityRealReturn Strategy Portfolio</b>				
1.40%				
	12/31/2011	12.173	11.097	176
	12/31/2012	11.097	11.531	361
	12/31/2013	11.531	9.700	388
	12/31/2014	9.700	7.802	319
	12/31/2015	7.802	5.716	261
	12/31/2016	5.716	6.491	267
	12/31/2017	6.491	6.539	273
	12/31/2018	6.539	5.536	180
	12/31/2019	5.536	6.083	210
	12/31/2020	6.083	6.080	217
1.45%				
	12/31/2011	12.138	11.060	87
	12/31/2012	11.060	11.487	103
	12/31/2013	11.487	9.658	108
	12/31/2014	9.658	7.765	91
	12/31/2015	7.765	5.686	54
	12/31/2016	5.686	6.453	66
	12/31/2017	6.453	6.498	51
	12/31/2018	6.498	5.499	28
	12/31/2019	5.499	6.039	32
	12/31/2020	6.039	6.032	34

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>PIMCO VIT Emerging Markets Bond Portfolio</b>				
<b>1.40%</b>				
	12/31/2011	14.738	15.454	57
	12/31/2012	15.454	17.966	120
	12/31/2013	17.966	16.482	91
	12/31/2014	16.482	16.500	73
	12/31/2015	16.500	15.905	63
	12/31/2016	15.905	17.777	44
	12/31/2017	17.777	19.265	44
	12/31/2018	19.265	18.097	29
	12/31/2019	18.097	20.485	28
	12/31/2020	20.485	21.554	24
<b>1.45%</b>				
	12/31/2011	14.696	15.402	39
	12/31/2012	15.402	17.897	54
	12/31/2013	17.897	16.410	37
	12/31/2014	16.410	16.421	29
	12/31/2015	16.421	15.821	21
	12/31/2016	15.821	17.674	16
	12/31/2017	17.674	19.143	19
	12/31/2018	19.143	17.973	13
	12/31/2019	17.973	20.336	11
	12/31/2020	20.336	21.386	6
<b>PIMCO VIT Global Bond Opportunities Portfolio (Unhedged)</b>				
<b>1.40%</b>				
	12/31/2011	12.952	13.740	206
	12/31/2012	13.740	14.489	242
	12/31/2013	14.489	13.077	195
	12/31/2014	13.077	13.187	147
	12/31/2015	13.187	12.479	110
	12/31/2016	12.479	12.803	95
	12/31/2017	12.803	13.715	96
	12/31/2018	13.715	12.956	73
	12/31/2019	12.956	13.559	82
	12/31/2020	13.559	14.724	76
<b>1.45%</b>				
	12/31/2011	12.916	13.694	124
	12/31/2012	13.694	14.434	161
	12/31/2013	14.434	13.020	144
	12/31/2014	13.020	13.123	87
	12/31/2015	13.123	12.413	45
	12/31/2016	12.413	12.729	38
	12/31/2017	12.729	13.629	30
	12/31/2018	13.629	12.868	20
	12/31/2019	12.868	13.460	21
	12/31/2020	13.460	14.609	17

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>PIMCO VIT High Yield Portfolio</b>				
<b>1.40%</b>				
	12/31/2011	16.244	16.557	164
	12/31/2012	16.557	18.665	394
	12/31/2013	18.665	19.463	471
	12/31/2014	19.463	19.835	348
	12/31/2015	19.835	19.238	286
	12/31/2016	19.238	21.338	269
	12/31/2017	21.338	22.437	225
	12/31/2018	22.437	21.536	158
	12/31/2019	21.536	24.369	150
	12/31/2020	24.369	25.413	126
<b>1.45%</b>				
	12/31/2011	16.763	17.078	70
	12/31/2012	17.078	19.242	81
	12/31/2013	19.242	20.055	81
	12/31/2014	20.055	20.428	83
	12/31/2015	20.428	19.803	44
	12/31/2016	19.803	21.954	25
	12/31/2017	21.954	23.073	14
	12/31/2018	23.073	22.136	9
	12/31/2019	22.136	25.035	8
	12/31/2020	25.035	26.094	6
<b>PIMCO VIT Real Return Portfolio</b>				
<b>1.40%</b>				
	12/31/2011	14.058	15.482	625
	12/31/2012	15.482	16.603	1,174
	12/31/2013	16.603	14.863	1,163
	12/31/2014	14.863	15.111	958
	12/31/2015	15.111	14.498	741
	12/31/2016	14.498	15.039	649
	12/31/2017	15.039	15.373	589
	12/31/2018	15.373	14.824	450
	12/31/2019	14.824	15.853	453
	12/31/2020	15.853	17.464	413
<b>1.45%</b>				
	12/31/2011	14.004	15.415	178
	12/31/2012	15.415	16.523	243
	12/31/2013	16.523	14.784	205
	12/31/2014	14.784	15.023	195
	12/31/2015	15.023	14.406	76
	12/31/2016	14.406	14.937	55
	12/31/2017	14.937	15.261	48
	12/31/2018	15.261	14.709	30
	12/31/2019	14.709	15.721	28
	12/31/2020	15.721	17.310	19

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>PIMCO VIT StocksPLUS Global Portfolio</b>				
<b>1.40%</b>				
	12/31/2011	10.337	9.713	625
	12/31/2012	9.713	10.513	1,856
	12/31/2013	10.513	12.357	2,178
	12/31/2014	12.357	12.295	1,732
	12/31/2015	12.295	11.031	1,323
	12/31/2016	11.031	11.720	1,167
	12/31/2017	11.720	14.215	1,110
	12/31/2018	14.215	12.511	780
	12/31/2019	12.511	15.733	792
	12/31/2020	15.733	17.535	680
<b>1.45%</b>				
	12/31/2011	10.334	9.705	181
	12/31/2012	9.705	10.499	315
	12/31/2013	10.499	12.334	428
	12/31/2014	12.334	12.266	335
	12/31/2015	12.266	11.000	228
	12/31/2016	11.000	11.681	161
	12/31/2017	11.681	14.160	144
	12/31/2018	14.160	12.457	80
	12/31/2019	12.457	15.657	93
	12/31/2020	15.657	17.442	37
<b>PIMCO VIT Total Return Portfolio</b>				
<b>1.40%</b>				
	12/31/2011	18.084	18.478	826
	12/31/2012	18.478	19.969	1,486
	12/31/2013	19.969	19.305	1,415
	12/31/2014	19.305	19.852	1,123
	12/31/2015	19.852	19.664	917
	12/31/2016	19.664	19.911	753
	12/31/2017	19.911	20.601	681
	12/31/2018	20.601	20.205	516
	12/31/2019	20.205	21.592	531
	12/31/2020	21.592	23.135	482
<b>1.45%</b>				
	12/31/2011	18.471	18.863	246
	12/31/2012	18.863	20.375	353
	12/31/2013	20.375	19.688	355
	12/31/2014	19.688	20.235	250
	12/31/2015	20.235	20.034	181
	12/31/2016	20.034	20.275	135
	12/31/2017	20.275	20.967	150
	12/31/2018	20.967	20.554	99
	12/31/2019	20.554	21.954	89
	12/31/2020	21.954	23.511	78

Investment Option M&E Charge	Period or Year Ended	AUV at Beginning of Period	AUV at End of Period	Number of Accumulation Units Outstanding at End of Period
<b>Templeton Global Bond VIP Fund</b>				
<b>1.40%</b>				
	12/31/2011	44.783	43.777	81
	12/31/2012	43.777	49.669	101
	12/31/2013	49.669	49.776	90
	12/31/2014	49.776	49.984	72
	12/31/2015	49.984	47.167	45
	12/31/2016	47.167	47.878	37
	12/31/2017	47.878	48.124	31
	12/31/2018	48.124	48.371	19
	12/31/2019	48.371	48.658	20
	12/31/2020	48.658	45.446	19
<b>1.45%</b>				
	12/31/2011	44.309	43.293	31
	12/31/2012	43.293	49.094	40
	12/31/2013	49.094	49.176	33
	12/31/2014	49.176	49.356	41
	12/31/2015	49.356	46.552	17
	12/31/2016	46.552	47.230	11
	12/31/2017	47.230	47.448	9
	12/31/2018	47.448	47.668	5
	12/31/2019	47.668	47.927	5
	12/31/2020	47.927	44.741	4
<b>Templeton Growth VIP Fund</b>				
<b>1.40%</b>				
	12/31/2011	23.000	21.099	201
	12/31/2012	21.099	25.187	1,001
	12/31/2013	25.187	32.491	1,202
	12/31/2014	32.491	31.138	897
	12/31/2015	31.138	28.713	671
	12/31/2016	28.713	31.038	559
	12/31/2017	31.038	36.270	513
	12/31/2018	36.270	30.452	335
	12/31/2019	30.452	34.580	388
	12/31/2020	34.580	36.075	319
<b>1.45%</b>				
	12/31/2011	22.807	20.912	64
	12/31/2012	20.912	24.951	155
	12/31/2013	24.951	32.171	221
	12/31/2014	32.171	30.815	151
	12/31/2015	30.815	28.402	95
	12/31/2016	28.402	30.686	71
	12/31/2017	30.686	35.840	66
	12/31/2018	35.840	30.077	33
	12/31/2019	30.077	34.136	38
	12/31/2020	34.136	35.594	22





**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**of**  
**ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

**Financial Statements**

**December 31, 2020**

**(With Report of Independent Registered Public Accounting Firm Thereon)**



**Report of Independent Registered Public Accounting Firm**

To the Board of Directors of Allianz Life Insurance Company of North America and the Contract Owners of Allianz Life Variable Account B of Allianz Life Insurance Company of North America.

***Opinions on the Financial Statements***

We have audited the accompanying statements of assets and liabilities of each of the subaccounts of Allianz Life Variable Account B of Allianz Life Insurance Company of North America, indicated in the table below (other than: RCM Dynamic Multi-Asset Plus VIT Fund, AZL Morgan Stanley Global Real Estate Fund Class 1 and AZL Morgan Stanley Global Real Estate Fund Class 2, which do not present statements of assets and liabilities) as of December 31, 2020, the related statements of operations for the year then ended (other than: RCM Dynamic Multi-Asset Plus VIT Fund, which is for the period January 1, 2020 to April 24, 2020 (date of merger with AZL MVP Moderate Index Strategy Fund) AZL Morgan Stanley Global Real Estate Fund Class 1 and AZL Morgan Stanley Global Real Estate Fund Class 2, which is for the period January 1, 2020 to August 21, 2020 (date of both mergers with AZL S&P 500 Index Fund)), and the statements of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the subaccounts of Allianz Life Variable Account B of Allianz Life Insurance Company of North America (other than: RCM Dynamic Multi-Asset Plus VIT Fund, AZL Morgan Stanley Global Real Estate Fund Class 1, and AZL Morgan Stanley Global Real Estate Fund Class 2, which do not present statements of assets and liabilities) as of December 31, 2020, and the results of each of their operations for the year then ended, and the changes in each of their net assets for each of the two years in the period ended December 31, 2020 (other than: RCM Dynamic Multi-Asset Plus VIT Fund, which is for the period January 1, 2020 to April 24, 2020 (date of merger with AZL MVP Moderate Index Strategy Fund) AZL Morgan Stanley Global Real Estate Fund Class 1 and AZL Morgan Stanley Global Real Estate Fund Class 2, which is for the period January 1, 2020 to August 21, 2020 (date of both mergers with AZL S&P 500 Index Fund)), in conformity with accounting principles generally accepted in the United States of America.

Subaccounts of Allianz Life Variable Account B		
AZL Balanced Index Strategy Fund	AZL Russell 1000 Value Index Fund Class 2	Ivy VIP Growth Portfolio
AZL DFA Five-Year Global Fixed Income Fund	AZL S&P 500 Index Fund	Ivy VIP Mid Cap Growth Portfolio
AZL DFA Multi-Strategy Fund	AZL Small Cap Stock Index Fund Class 1	Ivy VIP Natural Resources Portfolio
AZL Enhanced Bond Index Fund	AZL Small Cap Stock Index Fund Class 2	Ivy VIP Science and Technology Portfolio
AZL Fidelity Institutional Asset Management Multi-Strategy Fund	AZL T. Rowe Price Capital Appreciation Fund	JPMorgan Insurance Trust Core Bond Portfolio

AZL Fidelity Institutional Asset Management Total Bond Fund Class 1	BlackRock Equity Dividend V.I. Fund	Lazard Retirement International Equity Portfolio
AZL Fidelity Institutional Asset Management Total Bond Fund Class 2	BlackRock Global Allocation V.I. Fund	Lazard Retirement U.S. Small-Mid Cap Equity Portfolio
AZL Gateway Fund	BNY Mellon VIF Appreciation Portfolio	MFS International Intrinsic Value Portfolio
AZL Government Money Market Fund	ClearBridge Variable Aggressive Growth Portfolio	MFS VIT Total Return Bond Portfolio
AZL International Index Fund Class 1	Columbia Variable Portfolio – Seligman Global Technology Fund	MFS VIT Utilities Portfolio
AZL International Index Fund Class 2	Davis VA Financial Portfolio	PIMCO VIT All Asset Portfolio
AZL MetWest Total Return Bond Fund	Davis VA Real Estate Portfolio	PIMCO VIT Balanced Allocation Portfolio
AZL Mid Cap Index Fund Class 1	Eaton Vance VT Floating-Rate Income Fund	PIMCO VIT CommodityRealReturn Strategy Portfolio
AZL Mid Cap Index Fund Class 2	Fidelity VIP Emerging Markets Portfolio	PIMCO VIT Dynamic Bond Portfolio
AZL Moderate Index Strategy Fund	Fidelity VIP FundsManager 50% Portfolio	PIMCO VIT Emerging Markets Bond Portfolio
AZL MSCI Emerging Markets Equity Index Class 1	Fidelity VIP FundsManager 60% Portfolio	PIMCO VIT Global Bond Opportunities Portfolio (Unhedged)
AZL MSCI Emerging Markets Equity Index Class 2	Fidelity VIP Mid Cap Portfolio	PIMCO VIT Global Core Bond (Hedged) Portfolio
AZL MSCI Global Equity Index Fund	Fidelity VIP Strategic Income Portfolio	PIMCO VIT Global Managed Asset Allocation Portfolio
AZL MVP Balanced Index Strategy Fund	Franklin Allocation VIP Fund	PIMCO VIT High Yield Portfolio
AZL MVP DFA Multi-Strategy Fund	Franklin Income VIP Fund	PIMCO VIT Long-Term U.S. Government Portfolio
AZL MVP Fidelity Institutional Asset Management Multi-Strategy Fund	Franklin Mutual Shares VIP Fund	PIMCO VIT Low Duration Portfolio
AZL MVP Fusion Dynamic Balanced Fund	Franklin Rising Dividends VIP Fund	PIMCO VIT Real Return Portfolio

AZL MVP Fusion Dynamic Conservative Fund	Franklin Strategic Income VIP Fund	PIMCO VIT StocksPlus Global Portfolio
AZL MVP Fusion Dynamic Moderate Fund	Franklin U.S. Government Securities VIP Fund	PIMCO VIT Total Return Portfolio
AZL MVP Global Balanced Index Strategy Fund	Invesco Oppenheimer V.I. Global Strategic Income Fund	QS Legg Mason Dynamic Multi-Strategy VIT Portfolio
AZL MVP Growth Index Strategy Fund	Invesco Oppenheimer V.I. International Growth Fund	T. Rowe Price Blue Chip Growth Portfolio
AZL MVP Moderate Index Strategy Fund	Invesco V.I. American Value Fund	T. Rowe Price Equity Income Portfolio
AZL MVP T. Rowe Price Capital Appreciation Plus Fund	Invesco V.I. Balanced-Risk Allocation Fund	T. Rowe Price Health Sciences Portfolio
AZL Russell 1000 Growth Index Fund Class 1	Ivy VIP Asset Strategy Portfolio	Templeton Global Bond VIP Fund
AZL Russell 1000 Growth Index Fund Class 2	Ivy VIP Energy Portfolio	Templeton Growth VIP Fund
AZL Russell 1000 Value Index Fund Class 1		

### ***Basis for Opinions***

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

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

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

*PricewaterhouseCoopers LLP*

March 29, 2021

We have served as the auditor of one or more of the subaccounts of Allianz Life Variable Account B of Allianz Life Insurance Company of North America since 2019.

**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Assets and Liabilities

December 31, 2020

(In thousands)

	AZL Balanced Index Strategy Fund	AZL DFA Five- Year Global Fixed Income Fund	AZL DFA Multi- Strategy Fund	AZL Enhanced Bond Index Fund	AZL Fidelity Institutional Asset Management Multi-Strategy Fund
<b>Assets:</b>					
Investments at Net Asset Value	\$ 388,701	\$ 15,880	\$ 852,984	\$ 26,081	\$ 290,007
<b>Total Assets</b>	<b>388,701</b>	<b>15,880</b>	<b>852,984</b>	<b>26,081</b>	<b>290,007</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>388,701</b>	<b>15,880</b>	<b>852,984</b>	<b>26,081</b>	<b>290,007</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	388,634	15,880	852,785	26,081	289,875
Contracts in Annuity Payment Period	67	—	199	—	132
<b>Total Net Assets</b>	<b>\$ 388,701</b>	<b>\$ 15,880</b>	<b>\$ 852,984</b>	<b>\$ 26,081</b>	<b>\$ 290,007</b>
Investment Shares	22,237	1,646	58,745	2,214	20,084
<b>Investments at Cost</b>	<b>\$ 333,250</b>	<b>\$ 16,357</b>	<b>\$ 820,108</b>	<b>\$ 24,733</b>	<b>\$ 250,645</b>

	AZL Fidelity Institutional Asset Management Total Bond Fund Class 1	AZL Fidelity Institutional Asset Management Total Bond Fund Class 2	AZL Gateway Fund	AZL Government Money Market Fund	AZL International Index Fund Class 1
<b>Assets:</b>					
Investments at Net Asset Value	\$ 20,327	\$ 157,259	\$ 68,305	\$ 585,305	\$ 95,192
<b>Total Assets</b>	<b>20,327</b>	<b>157,259</b>	<b>68,305</b>	<b>585,305</b>	<b>95,192</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>20,327</b>	<b>157,259</b>	<b>68,305</b>	<b>585,305</b>	<b>95,192</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	20,278	157,256	68,305	584,066	94,880
Contracts in Annuity Payment Period	49	3	—	1,239	312
<b>Total Net Assets</b>	<b>\$ 20,327</b>	<b>\$ 157,259</b>	<b>\$ 68,305</b>	<b>\$ 585,305</b>	<b>\$ 95,192</b>
Investment Shares	1,894	14,219	4,675	585,305	8,095
<b>Investments at Cost</b>	<b>\$ 18,992</b>	<b>\$ 147,331</b>	<b>\$ 57,253</b>	<b>\$ 585,304</b>	<b>\$ 82,084</b>

See accompanying notes to financial statements

**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Assets and Liabilities

December 31, 2020

(In thousands)

	AZL International Index Fund Class 2	AZL MetWest Total Return Bond Fund	AZL Mid Cap Index Fund Class 1	AZL Mid Cap Index Fund Class 2	AZL Moderate Index Strategy Fund
<b>Assets:</b>					
Investments at Net Asset Value	\$ 410,582	\$ 35,007	\$ 47,856	\$ 416,121	\$ 576,533
<b>Total Assets</b>	<b>410,582</b>	<b>35,007</b>	<b>47,856</b>	<b>416,121</b>	<b>576,533</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>410,582</b>	<b>35,007</b>	<b>47,856</b>	<b>416,121</b>	<b>576,533</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	410,074	35,007	47,691	416,042	576,139
Contracts in Annuity Payment Period	508	—	165	79	394
<b>Total Net Assets</b>	<b>\$ 410,582</b>	<b>\$ 35,007</b>	<b>\$ 47,856</b>	<b>\$ 416,121</b>	<b>\$ 576,533</b>
Investment Shares	23,556	3,194	5,697	17,295	40,601
<b>Investments at Cost</b>	<b>\$ 343,282</b>	<b>\$ 33,701</b>	<b>\$ 52,318</b>	<b>\$ 343,827</b>	<b>\$ 547,243</b>

	AZL MSCI Emerging Markets Equity Index Class 1	AZL MSCI Emerging Markets Equity Index Class 2	AZL MSCI Global Equity Index Fund	AZL MVP Balanced Index Strategy Fund	AZL MVP DFA Multi-Strategy Fund
<b>Assets:</b>					
Investments at Net Asset Value	\$ 16,447	\$ 102,936	\$ 4,531	\$ 278,234	\$ 81,082
<b>Total Assets</b>	<b>16,447</b>	<b>102,936</b>	<b>4,531</b>	<b>278,234</b>	<b>81,082</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>16,447</b>	<b>102,936</b>	<b>4,531</b>	<b>278,234</b>	<b>81,082</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	16,412	102,902	4,531	278,234	81,082
Contracts in Annuity Payment Period	35	34	—	—	—
<b>Total Net Assets</b>	<b>\$ 16,447</b>	<b>\$ 102,936</b>	<b>\$ 4,531</b>	<b>\$ 278,234</b>	<b>\$ 81,082</b>
Investment Shares	1,926	12,053	316	19,817	7,002
<b>Investments at Cost</b>	<b>\$ 10,160</b>	<b>\$ 84,281</b>	<b>\$ 3,607</b>	<b>\$ 248,232</b>	<b>\$ 74,860</b>

See accompanying notes to financial statements



**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Assets and Liabilities

December 31, 2020

(In thousands)

	AZL MVP Fidelity Institutional Asset Management Multi-Strategy Fund	AZL MVP Fusion Dynamic Balanced Fund	AZL MVP Fusion Dynamic Conservative Fund	AZL MVP Fusion Dynamic Moderate Fund	AZL MVP Global Balanced Index Strategy Fund
<b>Assets:</b>					
Investments at Net Asset Value	\$ 221,761	\$ 751,880	\$ 218,170	\$ 1,688,704	\$ 628,373
<b>Total Assets</b>	<b>221,761</b>	<b>751,880</b>	<b>218,170</b>	<b>1,688,704</b>	<b>628,373</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>221,761</b>	<b>751,880</b>	<b>218,170</b>	<b>1,688,704</b>	<b>628,373</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	221,761	751,474	218,158	1,688,298	628,373
Contracts in Annuity Payment Period	—	406	12	406	—
<b>Total Net Assets</b>	<b>\$ 221,761</b>	<b>\$ 751,880</b>	<b>\$ 218,170</b>	<b>\$ 1,688,704</b>	<b>\$ 628,373</b>
Investment Shares	17,059	68,291	18,287	153,798	51,046
<b>Investments at Cost</b>	<b>\$ 201,413</b>	<b>\$ 765,414</b>	<b>\$ 216,350</b>	<b>\$ 1,680,996</b>	<b>\$ 583,285</b>

	AZL MVP Growth Index Strategy Fund	AZL MVP Moderate Index Strategy Fund	AZL MVP T. Rowe Price Capital Appreciation Plus Fund	AZL Russell 1000 Growth Index Fund Class 1	AZL Russell 1000 Growth Index Fund Class 2
<b>Assets:</b>					
Investments at Net Asset Value	\$ 2,254,083	\$ 467,774	\$ 1,192,293	\$ 65,837	\$ 670,828
<b>Total Assets</b>	<b>2,254,083</b>	<b>467,774</b>	<b>1,192,293</b>	<b>65,837</b>	<b>670,828</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>2,254,083</b>	<b>467,774</b>	<b>1,192,293</b>	<b>65,837</b>	<b>670,828</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	2,253,335	467,774	1,192,293	65,607	670,617
Contracts in Annuity Payment Period	748	—	—	230	211
<b>Total Net Assets</b>	<b>\$ 2,254,083</b>	<b>\$ 467,774</b>	<b>\$ 1,192,293</b>	<b>\$ 65,837</b>	<b>\$ 670,828</b>
Investment Shares	142,935	30,958	84,740	4,485	31,778
<b>Investments at Cost</b>	<b>\$ 1,974,106</b>	<b>\$ 412,791</b>	<b>\$ 992,940</b>	<b>\$ 47,118</b>	<b>\$ 444,673</b>

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	AZL Russell 1000 Value Index Fund Class 1	AZL Russell 1000 Value Index Fund Class 2	AZL S&P 500 Index Fund	AZL Small Cap Stock Index Fund Class 1	AZL Small Cap Stock Index Fund Class 2
<b>Assets:</b>					
Investments at Net Asset Value	\$ 132,301	\$ 383,626	\$ 911,458	\$ 42,048	\$ 443,512
<b>Total Assets</b>	<b>132,301</b>	<b>383,626</b>	<b>911,458</b>	<b>42,048</b>	<b>443,512</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>132,301</b>	<b>383,626</b>	<b>911,458</b>	<b>42,048</b>	<b>443,512</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	131,768	383,455	910,935	41,917	443,307
Contracts in Annuity Payment Period	533	171	523	131	205
<b>Total Net Assets</b>	<b>\$ 132,301</b>	<b>\$ 383,626</b>	<b>\$ 911,458</b>	<b>\$ 42,048</b>	<b>\$ 443,512</b>
Investment Shares	14,667	30,739	44,753	4,308	32,279
<b>Investments at Cost</b>	<b>\$ 141,756</b>	<b>\$ 375,123</b>	<b>\$ 633,829</b>	<b>\$ 42,097</b>	<b>\$ 391,346</b>

	AZL T. Rowe Price Capital Appreciation Fund	BlackRock Equity Dividend V.I. Fund	BlackRock Global Allocation V.I. Fund	BNY Mellon VIF Appreciation Portfolio	ClearBridge Variable Aggressive Growth Portfolio
<b>Assets:</b>					
Investments at Net Asset Value	\$ 610,525	\$ 1,170	\$ 1,127,675	\$ 62	\$ 1,275
<b>Total Assets</b>	<b>610,525</b>	<b>1,170</b>	<b>1,127,675</b>	<b>62</b>	<b>1,275</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>610,525</b>	<b>1,170</b>	<b>1,127,675</b>	<b>62</b>	<b>1,275</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	610,410	1,170	1,127,607	62	1,275
Contracts in Annuity Payment Period	115	—	68	—	—
<b>Total Net Assets</b>	<b>\$ 610,525</b>	<b>\$ 1,170</b>	<b>\$ 1,127,675</b>	<b>\$ 62</b>	<b>\$ 1,275</b>
Investment Shares	28,880	100	69,225	1	43
<b>Investments at Cost</b>	<b>\$ 466,530</b>	<b>\$ 1,067</b>	<b>\$ 978,015</b>	<b>\$ 55</b>	<b>\$ 1,213</b>

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	Columbia Variable Portfolio – Seligman Global Technology Fund	Davis VA Financial Portfolio	Davis VA Real Estate Portfolio	Eaton Vance VT Floating-Rate Income Fund	Fidelity VIP Emerging Markets Portfolio
<b>Assets:</b>					
Investments at Net Asset Value	\$ 1,446	\$ 39,297	\$ 206	\$ 1,148	\$ 4,563
<b>Total Assets</b>	<b>1,446</b>	<b>39,297</b>	<b>206</b>	<b>1,148</b>	<b>4,563</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>1,446</b>	<b>39,297</b>	<b>206</b>	<b>1,148</b>	<b>4,563</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	1,417	39,296	206	1,148	4,563
Contracts in Annuity Payment Period	29	1	—	—	—
<b>Total Net Assets</b>	<b>\$ 1,446</b>	<b>\$ 39,297</b>	<b>\$ 206</b>	<b>\$ 1,148</b>	<b>\$ 4,563</b>
Investment Shares	46	3,347	15	127	310
<b>Investments at Cost</b>	<b>\$ 887</b>	<b>\$ 40,246</b>	<b>\$ 180</b>	<b>\$ 1,173</b>	<b>\$ 3,548</b>

	Fidelity VIP FundsManager 50% Portfolio	Fidelity VIP FundsManager 60% Portfolio	Fidelity VIP Mid Cap Portfolio	Fidelity VIP Strategic Income Portfolio	Franklin Allocation VIP Fund
<b>Assets:</b>					
Investments at Net Asset Value	\$ 21,338	\$ 83,695	\$ 611	\$ 2,076	\$ 91,318
<b>Total Assets</b>	<b>21,338</b>	<b>83,695</b>	<b>611</b>	<b>2,076</b>	<b>91,318</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>21,338</b>	<b>83,695</b>	<b>611</b>	<b>2,076</b>	<b>91,318</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	21,338	83,613	611	2,076	91,300
Contracts in Annuity Payment Period	—	82	—	—	18
<b>Total Net Assets</b>	<b>\$ 21,338</b>	<b>\$ 83,695</b>	<b>\$ 611</b>	<b>\$ 2,076</b>	<b>\$ 91,318</b>
Investment Shares	1,579	7,400	16	178	16,817
<b>Investments at Cost</b>	<b>\$ 18,432</b>	<b>\$ 79,602</b>	<b>\$ 525</b>	<b>\$ 2,031</b>	<b>\$ 104,770</b>

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	Franklin Income VIP Fund	Franklin Mutual Shares VIP Fund	Franklin Rising Dividends VIP Fund	Franklin Strategic Income VIP Fund	Franklin U.S. Government Securities VIP Fund
<b>Assets:</b>					
Investments at Net Asset Value	\$ 938,004	\$ 296,587	\$ 218,720	\$ 701	\$ 180,119
<b>Total Assets</b>	<b>938,004</b>	<b>296,587</b>	<b>218,720</b>	<b>701</b>	<b>180,119</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>938,004</b>	<b>296,587</b>	<b>218,720</b>	<b>701</b>	<b>180,119</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	937,311	296,230	218,067	701	179,616
Contracts in Annuity Payment Period	693	357	653	—	503
<b>Total Net Assets</b>	<b>\$ 938,004</b>	<b>\$ 296,587</b>	<b>\$ 218,720</b>	<b>\$ 701</b>	<b>\$ 180,119</b>
Investment Shares	62,102	17,815	7,392	68	14,843
<b>Investments at Cost</b>	<b>\$ 934,342</b>	<b>\$ 303,775</b>	<b>\$ 155,891</b>	<b>\$ 760</b>	<b>\$ 187,099</b>

	Invesco Oppenheimer V.I. Global Strategic Income Fund	Invesco Oppenheimer V.I. International Growth Fund	Invesco V.I. American Value Fund	Invesco V.I. Balanced-Risk Allocation Fund	Ivy VIP Asset Strategy Portfolio
<b>Assets:</b>					
Investments at Net Asset Value	\$ 2,167	\$ 1,336	\$ 422	\$ 394	\$ 976
<b>Total Assets</b>	<b>2,167</b>	<b>1,336</b>	<b>422</b>	<b>394</b>	<b>976</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>2,167</b>	<b>1,336</b>	<b>422</b>	<b>394</b>	<b>976</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	2,163	1,336	422	394	976
Contracts in Annuity Payment Period	4	—	—	—	—
<b>Total Net Assets</b>	<b>\$ 2,167</b>	<b>\$ 1,336</b>	<b>\$ 422</b>	<b>\$ 394</b>	<b>\$ 976</b>
Investment Shares	448	439	27	38	93
<b>Investments at Cost</b>	<b>\$ 2,295</b>	<b>\$ 1,134</b>	<b>\$ 419</b>	<b>\$ 435</b>	<b>\$ 1,012</b>

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	Ivy VIP Energy Portfolio	Ivy VIP Growth Portfolio	Ivy VIP Mid Cap Growth Portfolio	Ivy VIP Natural Resources Portfolio	Ivy VIP Science and Technology Portfolio
<b>Assets:</b>					
Investments at Net Asset Value	\$ 43	\$ 506	\$ 889	\$ 59	\$ 1,046
<b>Total Assets</b>	<b>43</b>	<b>506</b>	<b>889</b>	<b>59</b>	<b>1,046</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>43</b>	<b>506</b>	<b>889</b>	<b>59</b>	<b>1,046</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	43	506	889	59	1,046
Contracts in Annuity Payment Period	—	—	—	—	—
<b>Total Net Assets</b>	<b>\$ 43</b>	<b>\$ 506</b>	<b>\$ 889</b>	<b>\$ 59</b>	<b>\$ 1,046</b>
Investment Shares	17	40	51	18	29
<b>Investments at Cost</b>	<b>\$ 106</b>	<b>\$ 432</b>	<b>\$ 595</b>	<b>\$ 78</b>	<b>\$ 775</b>

	JPMorgan Insurance Trust Core Bond Portfolio	Lazard Retirement International Equity Portfolio	Lazard Retirement U.S. Small-Mid Cap Equity Portfolio	MFS International Intrinsic Value Portfolio	MFS VIT Total Return Bond Portfolio
<b>Assets:</b>					
Investments at Net Asset Value	\$ 25,385	\$ 283	\$ 536	\$ 2,598	\$ 36,398
<b>Total Assets</b>	<b>25,385</b>	<b>283</b>	<b>536</b>	<b>2,598</b>	<b>36,398</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>25,385</b>	<b>283</b>	<b>536</b>	<b>2,598</b>	<b>36,398</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	25,385	283	536	2,598	36,398
Contracts in Annuity Payment Period	—	—	—	—	—
<b>Total Net Assets</b>	<b>\$ 25,385</b>	<b>\$ 283</b>	<b>\$ 536</b>	<b>\$ 2,598</b>	<b>\$ 36,398</b>
Investment Shares	2,166	27	33	75	2,626
<b>Investments at Cost</b>	<b>\$ 23,796</b>	<b>\$ 320</b>	<b>\$ 465</b>	<b>\$ 1,743</b>	<b>\$ 34,517</b>

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	MFS VIT Utilities Portfolio	PIMCO VIT All Asset Portfolio	PIMCO VIT Balanced Allocation Portfolio	PIMCO VIT CommodityReal Return Strategy Portfolio	PIMCO VIT Dynamic Bond Portfolio
<b>Assets:</b>					
Investments at Net Asset Value	\$ 107	\$ 288,825	\$ 75,819	\$ 38,457	\$ 145,668
<b>Total Assets</b>	<b>107</b>	<b>288,825</b>	<b>75,819</b>	<b>38,457</b>	<b>145,668</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>107</b>	<b>288,825</b>	<b>75,819</b>	<b>38,457</b>	<b>145,668</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	107	288,740	75,819	38,455	145,657
Contracts in Annuity Payment Period	—	85	—	2	11
<b>Total Net Assets</b>	<b>\$ 107</b>	<b>\$ 288,825</b>	<b>\$ 75,819</b>	<b>\$ 38,457</b>	<b>\$ 145,668</b>
Investment Shares	3	26,091	7,340	6,357	13,755
<b>Investments at Cost</b>	<b>\$ 99</b>	<b>\$ 276,954</b>	<b>\$ 70,251</b>	<b>\$ 60,863</b>	<b>\$ 142,020</b>

	PIMCO VIT Emerging Markets Bond Portfolio	PIMCO VIT Global Bond Opportunities Portfolio (Unhedged)	PIMCO VIT Global Core Bond (Hedged) Portfolio	PIMCO VIT Global Managed Asset Allocation Portfolio	PIMCO VIT High Yield Portfolio
<b>Assets:</b>					
Investments at Net Asset Value	\$ 86,204	\$ 47,778	\$ 79,472	\$ 130,814	\$ 481,389
<b>Total Assets</b>	<b>86,204</b>	<b>47,778</b>	<b>79,472</b>	<b>130,814</b>	<b>481,389</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>86,204</b>	<b>47,778</b>	<b>79,472</b>	<b>130,814</b>	<b>481,389</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	86,201	47,735	79,472	130,724	481,276
Contracts in Annuity Payment Period	3	43	—	90	113
<b>Total Net Assets</b>	<b>\$ 86,204</b>	<b>\$ 47,778</b>	<b>\$ 79,472</b>	<b>\$ 130,814</b>	<b>\$ 481,389</b>
Investment Shares	6,414	3,919	7,884	9,948	60,098
<b>Investments at Cost</b>	<b>\$ 84,154</b>	<b>\$ 48,707</b>	<b>\$ 76,235</b>	<b>\$ 119,844</b>	<b>\$ 468,149</b>

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	PIMCO VIT Long-Term U.S. Government Portfolio	PIMCO VIT Low Duration Portfolio	PIMCO VIT Real Return Portfolio	PIMCO VIT StocksPLUS Global Portfolio	PIMCO VIT Total Return Portfolio
<b>Assets:</b>					
Investments at Net Asset Value	\$ 5,405	\$ 6,668	\$ 261,562	\$ 231,036	\$ 800,296
<b>Total Assets</b>	<b>5,405</b>	<b>6,668</b>	<b>261,562</b>	<b>231,036</b>	<b>800,296</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>5,405</b>	<b>6,668</b>	<b>261,562</b>	<b>231,036</b>	<b>800,296</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	5,405	6,668	261,513	230,885	800,174
Contracts in Annuity Payment Period	—	—	49	151	122
<b>Total Net Assets</b>	<b>\$ 5,405</b>	<b>\$ 6,668</b>	<b>\$ 261,562</b>	<b>\$ 231,036</b>	<b>\$ 800,296</b>
Investment Shares	366	642	18,790	26,038	69,051
<b>Investments at Cost</b>	<b>\$ 5,224</b>	<b>\$ 6,617</b>	<b>\$ 247,057</b>	<b>\$ 229,795</b>	<b>\$ 765,451</b>

	QS Legg Mason Dynamic Multi- Strategy VIT Portfolio	T. Rowe Price Blue Chip Growth Portfolio	T. Rowe Price Equity Income Portfolio	T. Rowe Price Health Sciences Portfolio	Templeton Global Bond VIP Fund
<b>Assets:</b>					
Investments at Net Asset Value	\$ 62	\$ 4,230	\$ 917	\$ 1,004	\$ 463,529
<b>Total Assets</b>	<b>62</b>	<b>4,230</b>	<b>917</b>	<b>1,004</b>	<b>463,529</b>
<b>Liabilities:</b>					
Total Liabilities	—	—	—	—	—
<b>Net Assets:</b>	<b>62</b>	<b>4,230</b>	<b>917</b>	<b>1,004</b>	<b>463,529</b>
<b>Net Assets:</b>					
Contracts in Accumulation Period	62	4,230	917	1,004	463,364
Contracts in Annuity Payment Period	—	—	—	—	165
<b>Total Net Assets</b>	<b>\$ 62</b>	<b>\$ 4,230</b>	<b>\$ 917</b>	<b>\$ 1,004</b>	<b>\$ 463,529</b>
Investment Shares	5	87	35	17	33,501
<b>Investments at Cost</b>	<b>\$ 63</b>	<b>\$ 2,897</b>	<b>\$ 912</b>	<b>\$ 651</b>	<b>\$ 574,224</b>

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	Templeton Growth VIP Fund	Total All Funds
<b>Assets:</b>		
Investments at Net Asset Value	\$ 207,398	\$ 21,592,232
<b>Total Assets</b>	<b>207,398</b>	<b>21,592,232</b>
<b>Liabilities:</b>		
Total Liabilities	—	—
<b>Net Assets:</b>	<b>207,398</b>	<b>21,592,232</b>
<b>Net Assets:</b>		
Contracts in Accumulation Period	207,074	21,581,759
Contracts in Annuity Payment Period	324	10,473
<b>Total Net Assets</b>	<b>\$ 207,398</b>	<b>\$ 21,592,232</b>
Investment Shares	18,472	2,125,938
<b>Investments at Cost</b>	<b>\$ 216,542</b>	<b>\$ 19,725,777</b>



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	AZL Balanced Index Strategy Fund	AZL DFA Five- Year Global Fixed Income Fund	AZL DFA Multi- Strategy Fund	AZL Enhanced Bond Index Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 7,082	\$ 392	\$ 25,157	\$ 648
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	7,013	286	15,050	398
Investment Income (Loss), Net	69	106	10,107	250
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	12,682	—	44,869	—
Realized Gains (Losses) on Sales of Investments, Net	4,698	(195)	(3,969)	668
Realized Gains (Losses) on Investments, Net	17,380	(195)	40,900	668
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	17,613	(107)	12,995	740
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	34,993	(302)	53,895	1,408
Net Increase (Decrease) in Net Assets From Operations	\$ 35,062	\$ (196)	\$ 64,002	\$ 1,658

	AZL Fidelity Institutional Asset Management Multi-Strategy Fund	AZL Fidelity Institutional Asset Management Total Bond Fund Class 1	AZL Fidelity Institutional Asset Management Total Bond Fund Class 2	AZL Gateway Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 6,736	\$ 731	\$ 5,056	\$ 697
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	4,841	290	2,873	1,200
Investment Income (Loss), Net	1,895	441	2,183	(503)
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	8,083	—	—	—
Realized Gains (Losses) on Sales of Investments, Net	4,006	84	1,966	1,898
Realized Gains (Losses) on Investments, Net	12,089	84	1,966	1,898
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	14,815	895	5,913	2,125
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	26,904	979	7,879	4,023
Net Increase (Decrease) in Net Assets From Operations	\$ 28,799	\$ 1,420	\$ 10,062	\$ 3,520

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	AZL Government Money Market Fund	AZL International Index Fund Class 1	AZL International Index Fund Class 2	AZL MetWest Total Return Bond Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 850	\$ 4,311	\$ 11,749	\$ 884
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	6,532	1,415	7,716	487
Investment Income (Loss), Net	(5,682)	2,896	4,033	397
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	—	248	737	556
Realized Gains (Losses) on Sales of Investments, Net	—	312	1,971	839
Realized Gains (Losses) on Investments, Net	—	560	2,708	1,395
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	—	864	10,012	249
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	—	1,424	12,720	1,644
Net Increase (Decrease) in Net Assets From Operations	\$ (5,682)	\$ 4,320	\$ 16,753	\$ 2,041

	AZL Mid Cap Index Fund Class 1	AZL Mid Cap Index Fund Class 2	AZL Moderate Index Strategy Fund	AZL Morgan Stanley Global Real Estate Fund Class 1 (A)
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 1,593	\$ 4,339	\$ 10,610	\$ 908
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	587	7,418	10,624	136
Investment Income (Loss), Net	1,006	(3,079)	(14)	772
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	3,277	11,174	19,656	—
Realized Gains (Losses) on Sales of Investments, Net	(1,218)	(1,754)	(4,813)	(6,872)
Realized Gains (Losses) on Investments, Net	2,059	9,420	14,843	(6,872)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	2,165	37,047	39,449	1,107
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	4,224	46,467	54,292	(5,765)
Net Increase (Decrease) in Net Assets From Operations	\$ 5,230	\$ 43,388	\$ 54,278	\$ (4,993)

See accompanying notes to financial statements

**ALLIANZ LIFE VARIABLE ACCOUNT B**  
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	AZL Morgan Stanley Global Real Estate Fund Class 2 (A)	AZL MSCI Emerging Markets Equity Index Class 1	AZL MSCI Emerging Markets Equity Index Class 2	AZL MSCI Global Equity Index Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 3,465	\$ 528	\$ 3,033	\$ 36
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	841	207	1,913	54
Investment Income (Loss), Net	2,624	321	1,120	(18)
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	—	533	3,337	—
Realized Gains (Losses) on Sales of Investments, Net	(23,004)	704	27	172
Realized Gains (Losses) on Investments, Net	(23,004)	1,237	3,364	172
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(679)	420	7,610	297
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	(23,683)	1,657	10,974	469
Net Increase (Decrease) in Net Assets From Operations	\$ (21,059)	\$ 1,978	\$ 12,094	\$ 451

	AZL MVP Balanced Index Strategy Fund	AZL MVP DFA Multi-Strategy Fund	AZL MVP Fidelity Institutional Asset Management Multi-Strategy Fund	AZL MVP Fusion Dynamic Balanced Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 5,275	\$ 2,313	\$ 5,826	\$ 17,685
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	3,902	1,151	3,151	13,513
Investment Income (Loss), Net	1,373	1,162	2,675	4,172
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	7,197	3,321	—	23,467
Realized Gains (Losses) on Sales of Investments, Net	2,651	410	1,370	(9,848)
Realized Gains (Losses) on Investments, Net	9,848	3,731	1,370	13,619
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(688)	(3,460)	7,071	(8,926)
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	9,160	271	8,441	4,693
Net Increase (Decrease) in Net Assets From Operations	\$ 10,533	\$ 1,433	\$ 11,116	\$ 8,865

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	AZL MVP Fusion Dynamic Conservative Fund	AZL MVP Fusion Dynamic Moderate Fund	AZL MVP Global Balanced Index Strategy Fund	AZL MVP Growth Index Strategy Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 4,911	\$ 35,164	\$ 55,930	\$ 39,824
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	3,712	28,758	8,927	36,059
Investment Income (Loss), Net	1,199	6,406	47,003	3,765
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	5,403	59,899	17,364	88,365
Realized Gains (Losses) on Sales of Investments, Net	(1,303)	(15,430)	8,204	24,669
Realized Gains (Losses) on Investments, Net	4,100	44,469	25,568	113,034
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	1,190	(16,371)	(37,738)	(62,172)
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	5,290	28,098	(12,170)	50,862
Net Increase (Decrease) in Net Assets From Operations	\$ 6,489	\$ 34,504	\$ 34,833	\$ 54,627

	AZL MVP Moderate Index Strategy Fund	AZL MVP T. Rowe Price Capital Appreciation Plus Fund	AZL Russell 1000 Growth Index Fund Class 1	AZL Russell 1000 Growth Index Fund Class 2
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 8,325	\$ 31,219	\$ 649	\$ 3,363
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	6,486	16,313	823	12,131
Investment Income (Loss), Net	1,839	14,906	(174)	(8,768)
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	14,655	35,581	4,180	30,878
Realized Gains (Losses) on Sales of Investments, Net	4,860	16,625	1,352	35,361
Realized Gains (Losses) on Investments, Net	19,515	52,206	5,532	66,239
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	1,339	3,467	13,098	128,022
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	20,854	55,673	18,630	194,261
Net Increase (Decrease) in Net Assets From Operations	\$ 22,693	\$ 70,579	\$ 18,456	\$ 185,493

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	AZL Russell 1000 Value Index Fund Class 1	AZL Russell 1000 Value Index Fund Class 2	AZL S&P 500 Index Fund	AZL Small Cap Stock Index Fund Class 1
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 3,738	\$ 7,142	\$ 13,428	\$ 672
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	1,908	7,108	15,638	661
Investment Income (Loss), Net	1,830	34	(2,210)	11
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	7,941	17,187	30,167	2,458
Realized Gains (Losses) on Sales of Investments, Net	(3,153)	(9,684)	49,372	(1,072)
Realized Gains (Losses) on Investments, Net	4,788	7,503	79,539	1,386
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(8,039)	(13,518)	37,081	1,365
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	(3,251)	(6,015)	116,620	2,751
Net Increase (Decrease) in Net Assets From Operations	\$ (1,421)	\$ (5,981)	\$ 114,410	\$ 2,762

	AZL Small Cap Stock Index Fund Class 2	AZL T. Rowe Price Capital Appreciation Fund	BlackRock Equity Dividend V.I. Fund	BlackRock Global Allocation V.I. Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 4,204	\$ 7,589	\$ 26	\$ 12,912
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	7,861	11,630	4	19,223
Investment Income (Loss), Net	(3,657)	(4,041)	22	(6,311)
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	19,426	40,180	40	63,668
Realized Gains (Losses) on Sales of Investments, Net	(12,841)	25,281	9	12,033
Realized Gains (Losses) on Investments, Net	6,585	65,461	49	75,701
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	28,801	14,813	14	110,754
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	35,386	80,274	63	186,455
Net Increase (Decrease) in Net Assets From Operations	\$ 31,729	\$ 76,233	\$ 85	\$ 180,144

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	BNY Mellon VIF Appreciation Portfolio	ClearBridge Variable Aggressive Growth Portfolio	Columbia Variable Portfolio – Seligman Global Technology Fund	Davis VA Financial Portfolio
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ —	\$ 7	\$ —	\$ 529
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	—	3	20	771
Investment Income (Loss), Net	—	4	(20)	(242)
<b>Realized Gains (Losses) and Unrealized</b>				
<b>Appreciation (Depreciation) on Investments:</b>				
Realized Capital Gain Distributions on Funds	4	112	87	2,301
Realized Gains (Losses) on Sales of Investments, Net	—	3	38	(1,726)
Realized Gains (Losses) on Investments, Net	4	115	125	575
<b>Net Change in Unrealized Appreciation</b>				
(Depreciation) on Investments	7	77	345	(4,229)
<b>Total Realized Gains (Losses) &amp; Changes in</b>				
Appreciation (Depreciation) on Investments	11	192	470	(3,654)
Net Increase (Decrease) in Net Assets From Operations	\$ 11	\$ 196	\$ 450	\$ (3,896)

	Davis VA Real Estate Portfolio	Eaton Vance VT Floating-Rate Income Fund	Fidelity VIP Emerging Markets Portfolio	Fidelity VIP FundsManager 50% Portfolio
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 4	\$ 44	\$ 27	\$ 205
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	3	4	11	365
Investment Income (Loss), Net	1	40	16	(160)
<b>Realized Gains (Losses) and Unrealized</b>				
<b>Appreciation (Depreciation) on Investments:</b>				
Realized Capital Gain Distributions on Funds	1	—	560	464
Realized Gains (Losses) on Sales of Investments, Net	7	(78)	35	176
Realized Gains (Losses) on Investments, Net	8	(78)	595	640
<b>Net Change in Unrealized Appreciation</b>				
(Depreciation) on Investments	(32)	(6)	258	1,822
<b>Total Realized Gains (Losses) &amp; Changes in</b>				
Appreciation (Depreciation) on Investments	(24)	(84)	853	2,462
Net Increase (Decrease) in Net Assets From Operations	\$ (23)	\$ (44)	\$ 869	\$ 2,302

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	Fidelity VIP FundsManager 60% Portfolio	Fidelity VIP Mid Cap Portfolio	Fidelity VIP Strategic Income Portfolio	Franklin Allocation VIP Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 721	\$ 2	\$ 61	\$ 1,273
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	1,484	1	5	2,004
Investment Income (Loss), Net	(763)	1	56	(731)
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	2,024	—	19	22,674
Realized Gains (Losses) on Sales of Investments, Net	(1,032)	(3)	(10)	(2,972)
Realized Gains (Losses) on Investments, Net	992	(3)	9	19,702
<b>Net Change in Unrealized Appreciation</b>				
(Depreciation) on Investments	9,242	99	38	(11,856)
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	10,234	96	47	7,846
Net Increase (Decrease) in Net Assets From Operations	\$ 9,471	\$ 97	\$ 103	\$ 7,115

	Franklin Income VIP Fund	Franklin Mutual Shares VIP Fund	Franklin Rising Dividends VIP Fund	Franklin Strategic Income VIP Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 54,128	\$ 7,916	\$ 2,686	\$ 35
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	15,549	5,483	3,508	2
Investment Income (Loss), Net	38,579	2,433	(822)	33
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	763	10,805	10,365	—
Realized Gains (Losses) on Sales of Investments, Net	(10,847)	(13,218)	4,586	(5)
Realized Gains (Losses) on Investments, Net	(10,084)	(2,413)	14,951	(5)
<b>Net Change in Unrealized Appreciation</b>				
(Depreciation) on Investments	(47,157)	(27,657)	11,482	(6)
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	(57,241)	(30,070)	26,433	(11)
Net Increase (Decrease) in Net Assets From Operations	\$ (18,662)	\$ (27,637)	\$ 25,611	\$ 22

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	Franklin U.S. Government Securities VIP Fund	Invesco Oppenheimer V.I. Global Strategic Income Fund	Invesco Oppenheimer V.I. International Growth Fund	Invesco V.I. American Value Fund
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 6,543	\$ 120	\$ 5	\$ 2
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	3,336	38	3	1
Investment Income (Loss), Net	3,207	82	2	1
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	—	—	11	4
Realized Gains (Losses) on Sales of Investments, Net	(1,224)	(82)	3	(172)
Realized Gains (Losses) on Investments, Net	(1,224)	(82)	14	(168)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	2,056	15	142	29
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	832	(67)	156	(139)
Net Increase (Decrease) in Net Assets From Operations	\$ 4,039	\$ 15	\$ 158	\$ (138)

	Invesco V.I. Balanced-Risk Allocation Fund	Ivy VIP Asset Strategy Portfolio	Ivy VIP Energy Portfolio	Ivy VIP Growth Portfolio
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 28	\$ 18	\$ 1	\$ —
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	1	3	—	1
Investment Income (Loss), Net	27	15	1	(1)
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	19	15	—	60
Realized Gains (Losses) on Sales of Investments, Net	(4)	(5)	(62)	3
Realized Gains (Losses) on Investments, Net	15	10	(62)	63
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(8)	89	8	61
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	7	99	(54)	124
Net Increase (Decrease) in Net Assets From Operations	\$ 34	\$ 114	\$ (53)	\$ 123

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	Ivy VIP Mid Cap Growth Portfolio	Ivy VIP Natural Resources Portfolio	Ivy VIP Science and Technology Portfolio	JPMorgan Insurance Trust Core Bond Portfolio
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	—	1	\$ —	\$ 445
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	2	—	3	359
Investment Income (Loss), Net	(2)	1	(3)	86
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	41	—	123	—
Realized Gains (Losses) on Sales of Investments, Net	44	(2)	111	282
Realized Gains (Losses) on Investments, Net	85	(2)	234	282
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	197	(4)	49	1,029
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	282	(6)	283	1,311
Net Increase (Decrease) in Net Assets From Operations	\$ 280	\$ (5)	\$ 280	\$ 1,397

	Lazard Retirement International Equity Portfolio	Lazard Retirement U.S. Small-Mid Cap Equity Portfolio	MFS International Intrinsic Value Portfolio	MFS VIT Total Return Bond Portfolio
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 5	\$ 1	\$ 18	\$ 1,145
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	1	7	7	511
Investment Income (Loss), Net	4	(6)	11	634
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	8	30	47	—
Realized Gains (Losses) on Sales of Investments, Net	(1)	(334)	71	356
Realized Gains (Losses) on Investments, Net	7	(304)	118	356
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	10	21	307	1,197
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	17	(283)	425	1,553
Net Increase (Decrease) in Net Assets From Operations	\$ 21	\$ (289)	\$ 436	\$ 2,187

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	MFS VIT Utilities Portfolio	PIMCO VIT All Asset Portfolio	PIMCO VIT Balanced Allocation Portfolio	PIMCO VIT CommodityReal Return Strategy Portfolio
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 6	\$ 13,793	\$ 720	\$ 2,282
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	1	4,847	1,078	764
Investment Income (Loss), Net	5	8,946	(358)	1,518
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	7	—	5,412	—
Realized Gains (Losses) on Sales of Investments, Net	(8)	(2,757)	(13)	(7,826)
Realized Gains (Losses) on Investments, Net	(1)	(2,757)	5,399	(7,826)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(21)	9,125	1,455	5,972
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	(22)	6,368	6,854	(1,854)
Net Increase (Decrease) in Net Assets From Operations	\$ (17)	\$ 15,314	\$ 6,496	\$ (336)

	PIMCO VIT Dynamic Bond Portfolio	PIMCO VIT Emerging Markets Bond Portfolio	PIMCO VIT Global Bond Opportunities Portfolio (Unhedged)	PIMCO VIT Global Core Bond (Hedged) Portfolio
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 4,306	\$ 3,962	\$ 1,168	\$ 4,923
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	2,358	1,577	912	1,267
Investment Income (Loss), Net	1,948	2,385	256	3,656
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	—	—	—	—
Realized Gains (Losses) on Sales of Investments, Net	(434)	(599)	(1,392)	547
Realized Gains (Losses) on Investments, Net	(434)	(599)	(1,392)	547
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	2,606	2,105	4,555	630
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	2,172	1,506	3,163	1,177
Net Increase (Decrease) in Net Assets From Operations	\$ 4,120	\$ 3,891	\$ 3,419	\$ 4,833

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	PIMCO VIT Global Managed Asset Allocation Portfolio	PIMCO VIT High Yield Portfolio	PIMCO VIT Long-Term U.S. Government Portfolio	PIMCO VIT Low Duration Portfolio
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 9,984	\$ 23,981	\$ 118	\$ 131
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	2,085	7,990	106	31
Investment Income (Loss), Net	7,899	15,991	12	100
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	2,457	—	61	—
Realized Gains (Losses) on Sales of Investments, Net	(81)	(2,487)	1,181	154
Realized Gains (Losses) on Investments, Net	2,376	(2,487)	1,242	154
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	7,089	3,021	94	6
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	9,465	534	1,336	160
Net Increase (Decrease) in Net Assets From Operations	\$ 17,364	\$ 16,525	\$ 1,348	\$ 260

	PIMCO VIT Real Return Portfolio	PIMCO VIT StocksPLUS Global Portfolio	PIMCO VIT Total Return Portfolio	QS Legg Mason Dynamic Multi- Strategy VIT Portfolio
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 3,759	\$ 2,377	\$ 17,237	\$ 1
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	4,600	4,312	14,009	—
Investment Income (Loss), Net	(841)	(1,935)	3,228	1
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	—	20,548	8,936	—
Realized Gains (Losses) on Sales of Investments, Net	(28)	(9,003)	5,061	(1)
Realized Gains (Losses) on Investments, Net	(28)	11,545	13,997	(1)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	25,435	10,772	35,502	(13)
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	25,407	22,317	49,499	(14)
Net Increase (Decrease) in Net Assets From Operations	\$ 24,566	\$ 20,382	\$ 52,727	\$ (13)

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	RCM Dynamic Multi-Asset Plus VIT Portfolio	T. Rowe Price Blue Chip Growth Portfolio	T. Rowe Price Equity Income Portfolio	T. Rowe Price Health Sciences Portfolio
	(A)			
<b>Investment Income:</b>				
Dividends Reinvested in Fund Shares	\$ 16	\$ —	\$ 21	\$ —
<b>Expenses:</b>				
Mortality and Expense Risk and Administrative Charges	89	11	3	3
Investment Income (Loss), Net	(73)	(11)	18	(3)
<b>Realized Gains (Losses) and Unrealized</b>				
Appreciation (Depreciation) on Investments:				
Realized Capital Gain Distributions on Funds	127	138	20	56
Realized Gains (Losses) on Sales of Investments, Net	(1,635)	768	(106)	134
Realized Gains (Losses) on Investments, Net	(1,508)	906	(86)	190
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(645)	(169)	25	58
Total Realized Gains (Losses) & Changes in				
Appreciation (Depreciation) on Investments	(2,153)	737	(61)	248
Net Increase (Decrease) in Net Assets From Operations	\$ (2,226)	\$ 726	\$ (43)	\$ 245

	Templeton Global Bond VIP Fund	Templeton Growth VIP Fund	Total All Funds
<b>Investment Income:</b>			
Dividends Reinvested in Fund Shares	\$ 40,821	5,862	560,438
<b>Expenses:</b>			
Mortality and Expense Risk and Administrative Charges	7,871	3,632	359,872
Investment Income (Loss), Net	32,950	2,230	200,566
<b>Realized Gains (Losses) and Unrealized</b>			
Appreciation (Depreciation) on Investments:			
Realized Capital Gain Distributions on Funds	—	—	664,828
Realized Gains (Losses) on Sales of Investments, Net	(19,516)	(13,434)	26,849
Realized Gains (Losses) on Investments, Net	(19,516)	(13,434)	691,677
Net Change in Unrealized Appreciation			
(Depreciation) on Investments	(49,628)	15,280	360,512
Total Realized Gains (Losses) & Changes in			
Appreciation (Depreciation) on Investments	(69,144)	1,846	1,052,189
Net Increase (Decrease) in Net Assets From Operations	\$ (36,194)	\$ 4,076	\$ 1,252,755

(A) Fund terminated in 2020 . See Footnote 1 for further details.

**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Changes in Net Assets  
For the years or periods ended December 31, 2020 and 2019  
(In thousands)

	AZL Balanced Index Strategy Fund		AZL DFA Five-Year Global Fixed Income Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 69	\$ 1,190	\$ 106	\$ 583
Realized Gains (Losses) on Investments, Net	17,380	18,920	(195)	109
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	17,613	31,478	(107)	(472)
Net Increase (Decrease) in Net Assets From Operations	35,062	51,588	(196)	220
<b>Contract Transactions-All Products</b>				
Purchase Payments	226	351	129	175
Transfers Between Funds or (to) from General Account	14,285	4,498	2,711	2,941
Surrenders and Terminations	(29,346)	(43,503)	(1,368)	(1,775)
Rescissions	(1)	—	—	—
Bonus (Recapture)	2	5	1	1
Contract Maintenance Charge	(66)	(71)	(2)	(2)
Rider charge	(2,297)	(2,406)	(75)	(72)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(17,197)	(41,126)	1,396	1,268
Increase (Decrease) in Net Assets	17,865	10,462	1,200	1,488
Net Assets at Beginning of Period	370,836	360,374	14,680	13,192
Net Assets at End of Period	\$ 388,701	\$ 370,836	\$ 15,880	\$ 14,680
<b>Changes in Units</b>				
Issued	878	326	290	313
Redeemed	(1,929)	(2,946)	(147)	(186)
Net Increase (Decrease)	(1,051)	(2,620)	143	127
	AZL DFA Multi-Strategy Fund		AZL Enhanced Bond Index Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 10,107	\$ (7,286)	\$ 250	\$ 294
Realized Gains (Losses) on Investments, Net	40,900	35,000	668	133
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	12,995	94,005	740	1,231
Net Increase (Decrease) in Net Assets From Operations	64,002	121,719	1,658	1,658
<b>Contract Transactions-All Products</b>				
Purchase Payments	978	1,644	123	853
Transfers Between Funds or (to) from General Account	(23,319)	(12,302)	3,737	3,347
Surrenders and Terminations	(71,757)	(93,249)	(5,858)	(2,774)
Rescissions	(22)	(44)	—	—
Bonus (Recapture)	13	18	—	8
Contract Maintenance Charge	(142)	(155)	(4)	(4)
Rider charge	(9,728)	(10,371)	(347)	(329)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(103,977)	(114,459)	(2,349)	1,101
Increase (Decrease) in Net Assets	(39,975)	7,260	(691)	2,759
Net Assets at Beginning of Period	892,959	885,699	26,772	24,013
Net Assets at End of Period	\$ 852,984	\$ 892,959	\$ 26,081	\$ 26,772
<b>Changes in Units</b>				
Issued	55	93	322	360
Redeemed	(5,838)	(6,555)	(505)	(266)
Net Increase (Decrease)	(5,783)	(6,462)	(183)	94

See accompanying notes to financial statements

**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Changes in Net Assets  
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(In thousands)

	AZL Fidelity Institutional Asset Management Multi-Strategy Fund		AZL Fidelity Institutional Asset Management Total Bond Fund Class 1	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1,895	\$ 1,685	\$ 441	\$ 393
Realized Gains (Losses) on Investments, Net	12,089	15,401	84	46
Net Change in Unrealized Appreciation (Depreciation) on Investments	14,815	23,236	895	1,305
Net Increase (Decrease) in Net Assets From Operations	28,799	40,322	1,420	1,744
<b>Contract Transactions-All Products</b>				
Purchase Payments	611	725	8	76
Transfers Between Funds or (to) from General Account	5,702	(4,754)	365	1,777
Surrenders and Terminations	(22,591)	(30,493)	(2,002)	(2,325)
Rescissions	(3)	(1)	—	—
Bonus (Recapture)	4	4	—	—
Contract Maintenance Charge	(62)	(66)	(7)	(7)
Rider charge	(3,792)	(3,941)	—	—
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(20,131)	(38,526)	(1,636)	(479)
Increase (Decrease) in Net Assets	8,668	1,796	(216)	1,265
Net Assets at Beginning of Period	281,339	279,543	20,543	19,278
Net Assets at End of Period	\$ 290,007	\$ 281,339	\$ 20,327	\$ 20,543
<b>Changes in Units</b>				
Issued	321	46	37	190
Redeemed	(1,577)	(2,512)	(209)	(242)
Net Increase (Decrease)	(1,256)	(2,466)	(172)	(52)
<b>AZL Fidelity Institutional Asset Management Total Bond Fund Class 2</b>				
<b>AZL Gateway Fund</b>				
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 2,183	\$ 1,865	\$ (503)	\$ (600)
Realized Gains (Losses) on Investments, Net	1,966	609	1,898	1,174
Net Change in Unrealized Appreciation (Depreciation) on Investments	5,913	10,875	2,125	5,244
Net Increase (Decrease) in Net Assets From Operations	10,062	13,349	3,520	5,818
<b>Contract Transactions-All Products</b>				
Purchase Payments	177	415	130	83
Transfers Between Funds or (to) from General Account	10,413	11,118	4,583	3,936
Surrenders and Terminations	(24,022)	(28,579)	(8,469)	(6,994)
Rescissions	—	(1)	(1)	—
Bonus (Recapture)	3	12	6	—
Contract Maintenance Charge	(38)	(40)	(12)	(13)
Rider charge	(1,109)	(1,208)	(650)	(658)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(14,576)	(18,283)	(4,413)	(3,646)
Increase (Decrease) in Net Assets	(4,514)	(4,934)	(893)	2,172
Net Assets at Beginning of Period	161,773	166,707	69,198	67,026
Net Assets at End of Period	\$ 157,259	\$ 161,773	\$ 68,305	\$ 69,198
<b>Changes in Units</b>				
Issued	924	1,101	376	325
Redeemed	(2,263)	(2,837)	(734)	(627)
Net Increase (Decrease)	(1,339)	(1,736)	(358)	(302)

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**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Changes in Net Assets  
For the years or periods ended December 31, 2020 and 2019  
(In thousands)

	AZL Government Money Market Fund		AZL International Index Fund Class 1	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (5,682)	\$ (663)	\$ 2,896	\$ 1,979
Realized Gains (Losses) on Investments, Net	—	7	560	1,894
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	—	(7)	864	13,729
Net Increase (Decrease) in Net Assets From Operations	(5,682)	(663)	4,320	17,602
<b>Contract Transactions-All Products</b>				
Purchase Payments	1,298,367	894,391	27	17
Transfers Between Funds or (to) from General Account	(913,556)	(649,555)	(2,522)	(1,016)
Surrenders and Terminations	(244,015)	(195,080)	(7,379)	(9,390)
Rescissions	(13,145)	(10,126)	—	—
Bonus (Recapture)	92	244	—	—
Contract Maintenance Charge	(137)	(139)	(33)	(36)
Rider charge	(3,265)	(2,740)	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	124,341	36,995	(9,907)	(10,425)
Increase (Decrease) in Net Assets	118,659	36,332	(5,587)	7,177
Net Assets at Beginning of Period	466,646	430,314	100,779	93,602
Net Assets at End of Period	\$ 585,305	\$ 466,646	\$ 95,192	\$ 100,779
<b>Changes in Units</b>				
Issued	103,153	71,378	2	2
Redeemed	(93,058)	(70,047)	(870)	(901)
Net Increase (Decrease)	10,095	1,331	(868)	(899)
	AZL International Index Fund Class 2		AZL MetWest Total Return Bond Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 4,033	\$ 1,024	\$ 397	\$ 289
Realized Gains (Losses) on Investments, Net	2,708	10,062	1,395	185
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	10,012	65,750	249	1,375
Net Increase (Decrease) in Net Assets From Operations	16,753	76,836	2,041	1,849
<b>Contract Transactions-All Products</b>				
Purchase Payments	441	802	50	222
Transfers Between Funds or (to) from General Account	(4,903)	(3,006)	12,278	3,444
Surrenders and Terminations	(43,870)	(57,502)	(7,346)	(3,509)
Rescissions	(5)	(7)	—	—
Bonus (Recapture)	1	4	1	2
Contract Maintenance Charge	(81)	(89)	(4)	(3)
Rider charge	(523)	(711)	(378)	(328)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(48,940)	(60,509)	4,601	(172)
Increase (Decrease) in Net Assets	(32,187)	16,327	6,642	1,677
Net Assets at Beginning of Period	442,769	426,442	28,365	26,688
Net Assets at End of Period	\$ 410,582	\$ 442,769	\$ 35,007	\$ 28,365
<b>Changes in Units</b>				
Issued	156	130	1,111	345
Redeemed	(4,333)	(5,233)	(697)	(360)
Net Increase (Decrease)	(4,177)	(5,103)	414	(15)

See accompanying notes to financial statements

# ALLIANZ LIFE VARIABLE ACCOUNT B OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Statements of Changes in Net Assets  
For the years or periods ended December 31, 2020 and 2019  
(In thousands)

	AZL Mid Cap Index Fund Class 1		AZL Mid Cap Index Fund Class 2	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1,006	\$ 724	\$ (3,079)	\$ (4,192)
Realized Gains (Losses) on Investments, Net	2,059	6,446	9,420	35,918
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	2,165	2,342	37,047	59,946
Net Increase (Decrease) in Net Assets From Operations	5,230	9,512	43,388	91,672
<b>Contract Transactions-All Products</b>				
Purchase Payments	142	76	502	1,871
Transfers Between Funds or (to) from General Account	(589)	(1,139)	(24,291)	(2,201)
Surrenders and Terminations	(3,287)	(3,676)	(48,967)	(59,317)
Rescissions	—	—	(5)	—
Bonus (Recapture)	—	—	3	71
Contract Maintenance Charge	(14)	(16)	(77)	(88)
Rider charge	—	—	(842)	(1,139)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(3,748)	(4,755)	(73,677)	(60,803)
Increase (Decrease) in Net Assets	1,482	4,757	(30,289)	30,869
Net Assets at Beginning of Period	46,374	41,617	446,410	415,541
Net Assets at End of Period	\$ 47,856	\$ 46,374	\$ 416,121	\$ 446,410
<b>Changes in Units</b>				
Issued	58	40	37	107
Redeemed	(428)	(456)	(3,412)	(2,987)
Net Increase (Decrease)	(370)	(416)	(3,375)	(2,880)
	AZL Moderate Index Strategy Fund		AZL Morgan Stanley Global Real Estate Fund Class 1	
	2020	2019	2020 (A)	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (14)	\$ 2,202	\$ 772	\$ 334
Realized Gains (Losses) on Investments, Net	14,843	20,472	(6,872)	(219)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	39,449	67,697	1,107	2,914
Net Increase (Decrease) in Net Assets From Operations	54,278	90,371	(4,993)	3,029
<b>Contract Transactions-All Products</b>				
Purchase Payments	821	969	—	—
Transfers Between Funds or (to) from General Account	(5,064)	(1,452)	(13,332)	(487)
Surrenders and Terminations	(46,501)	(64,028)	(936)	(1,771)
Rescissions	(2)	(35)	—	—
Bonus (Recapture)	5	12	—	—
Contract Maintenance Charge	(104)	(110)	(4)	(8)
Rider charge	(4,903)	(5,076)	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(55,748)	(69,720)	(14,272)	(2,266)
Increase (Decrease) in Net Assets	(1,470)	20,651	(19,265)	763
Net Assets at Beginning of Period	578,003	557,352	19,265	18,502
Net Assets at End of Period	\$ 576,533	\$ 578,003	\$ —	\$ 19,265
<b>Changes in Units</b>				
Issued	50	61	—	—
Redeemed	(2,788)	(3,583)	(1,662)	(202)
Net Increase (Decrease)	(2,738)	(3,522)	(1,662)	(202)

See accompanying notes to financial statements



**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Changes in Net Assets  
For the years or periods ended December 31, 2020 and 2019  
(In thousands)

	AZL Morgan Stanley Global Real Estate Fund Class 2		AZL MSCI Emerging Markets Equity Index Class I	
	2020 (A)	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 2,624	\$ 424	\$ 321	\$ 82
Realized Gains (Losses) on Investments, Net	(23,004)	(327)	1,237	1,029
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(679)	12,139	420	1,304
Net Increase (Decrease) in Net Assets From Operations	(21,059)	12,236	1,978	2,415
<b>Contract Transactions-All Products</b>				
Purchase Payments	19	38	28	21
Transfers Between Funds or (to) from General Account	(56,618)	2,019	(849)	(433)
Surrenders and Terminations	(5,150)	(11,638)	(1,484)	(1,216)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	(11)	(20)	(7)	(8)
Rider charge	(11)	(24)	—	—
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(61,771)	(9,625)	(2,312)	(1,636)
Increase (Decrease) in Net Assets	(82,830)	2,611	(334)	779
Net Assets at Beginning of Period	82,830	80,219	16,781	16,002
Net Assets at End of Period	\$ —	\$ 82,830	\$ 16,447	\$ 16,781
<b>Changes in Units</b>				
Issued	2	147	25	19
Redeemed	(6,505)	(944)	(267)	(192)
Net Increase (Decrease)	(6,503)	(797)	(242)	(173)
	AZL MSCI Emerging Markets Equity Index Class 2		AZL MSCI Global Equity Index Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1,120	\$ (470)	\$ (18)	\$ 13
Realized Gains (Losses) on Investments, Net	3,364	3,378	172	183
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	7,610	11,330	297	1,168
Net Increase (Decrease) in Net Assets From Operations	12,094	14,238	451	1,364
<b>Contract Transactions-All Products</b>				
Purchase Payments	37	48	—	27
Transfers Between Funds or (to) from General Account	(4,250)	1,289	(517)	(999)
Surrenders and Terminations	(9,953)	(12,818)	(835)	(1,243)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	1
Contract Maintenance Charge	(22)	(23)	(1)	(1)
Rider charge	(53)	(66)	(19)	(34)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(14,241)	(11,570)	(1,372)	(2,249)
Increase (Decrease) in Net Assets	(2,147)	2,668	(921)	(885)
Net Assets at Beginning of Period	105,083	102,415	5,452	6,337
Net Assets at End of Period	\$ 102,936	\$ 105,083	\$ 4,531	\$ 5,452
<b>Changes in Units</b>				
Issued	3	116	—	2
Redeemed	(1,301)	(1,195)	(80)	(143)
Net Increase (Decrease)	(1,298)	(1,079)	(80)	(141)

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**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Changes in Net Assets  
For the years or periods ended December 31, 2020 and 2019  
(In thousands)

	AZL MVP Balanced Index Strategy Fund		AZL MVP DFA Multi-Strategy Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1,373	\$ 1,732	\$ 1,162	\$ (446)
Realized Gains (Losses) on Investments, Net	9,848	8,700	3,731	2,159
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(688)	28,932	(3,460)	9,348
Net Increase (Decrease) in Net Assets From Operations	10,533	39,364	1,433	11,061
<b>Contract Transactions-All Products</b>				
Purchase Payments	4,456	6,969	626	2,864
Transfers Between Funds or (to) from General Account	3,605	2,892	(2,177)	(44)
Surrenders and Terminations	(25,725)	(20,690)	(3,741)	(5,440)
Rescissions	(56)	(143)	(2)	(3)
Bonus (Recapture)	11	61	10	22
Contract Maintenance Charge	(56)	(56)	(12)	(12)
Rider charge	(3,657)	(3,650)	(1,243)	(1,260)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(21,422)	(14,617)	(6,539)	(3,873)
Increase (Decrease) in Net Assets	(10,889)	24,747	(5,106)	7,188
Net Assets at Beginning of Period	289,123	264,376	86,188	79,000
Net Assets at End of Period	\$ 278,234	\$ 289,123	\$ 81,082	\$ 86,188
<b>Changes in Units</b>				
Issued	472	711	59	262
Redeemed	(1,974)	(1,720)	(644)	(598)
Net Increase (Decrease)	(1,502)	(1,009)	(585)	(336)
	AZL MVP Fidelity Institutional Asset Management Multi-Strategy Fund		AZL MVP Fusion Dynamic Balanced Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 2,675	\$ 5,682	\$ 4,172	\$ 5,926
Realized Gains (Losses) on Investments, Net	1,370	963	13,619	36,598
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	7,071	24,071	(8,926)	67,600
Net Increase (Decrease) in Net Assets From Operations	11,116	30,716	8,865	110,124
<b>Contract Transactions-All Products</b>				
Purchase Payments	862	2,233	889	3,071
Transfers Between Funds or (to) from General Account	(2,006)	(1,194)	(17,836)	8,281
Surrenders and Terminations	(16,685)	(13,699)	(73,894)	(108,235)
Rescissions	—	—	(12)	—
Bonus (Recapture)	8	35	5	27
Contract Maintenance Charge	(45)	(47)	(184)	(196)
Rider charge	(3,102)	(3,127)	(7,529)	(7,976)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(20,968)	(15,799)	(98,561)	(105,028)
Increase (Decrease) in Net Assets	(9,852)	14,917	(89,696)	5,096
Net Assets at Beginning of Period	231,613	216,696	841,576	836,480
Net Assets at End of Period	\$ 221,761	\$ 231,613	\$ 751,880	\$ 841,576
<b>Changes in Units</b>				
Issued	64	176	57	741
Redeemed	(1,637)	(1,387)	(6,458)	(7,440)
Net Increase (Decrease)	(1,573)	(1,211)	(6,401)	(6,699)

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**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Changes in Net Assets  
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(In thousands)

	AZL MVP Fusion Dynamic Conservative Fund		AZL MVP Fusion Dynamic Moderate Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1,199	\$ 1,589	\$ 6,406	\$ 13,298
Realized Gains (Losses) on Investments, Net	4,100	7,157	44,469	93,348
Net Change in Unrealized Appreciation (Depreciation) on Investments	1,190	15,835	(16,371)	148,448
Net Increase (Decrease) in Net Assets From Operations	6,489	24,581	34,504	255,094
<b>Contract Transactions-All Products</b>				
Purchase Payments	577	5,821	5,010	8,668
Transfers Between Funds or (to) from General Account	7,056	8,939	(14,295)	(6,518)
Surrenders and Terminations	(21,420)	(23,490)	(131,102)	(162,771)
Rescissions	(16)	—	(143)	(13)
Bonus (Recapture)	12	60	74	81
Contract Maintenance Charge	(47)	(47)	(389)	(409)
Rider charge	(2,656)	(2,589)	(20,206)	(20,910)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(16,494)	(11,306)	(161,051)	(181,872)
Increase (Decrease) in Net Assets	(10,005)	13,275	(126,547)	73,222
Net Assets at Beginning of Period	228,175	214,900	1,815,251	1,742,029
Net Assets at End of Period	\$ 218,170	\$ 228,175	\$ 1,688,704	\$ 1,815,251
<b>Changes in Units</b>				
Issued	559	1,019	324	551
Redeemed	(1,657)	(1,819)	(10,817)	(12,407)
Net Increase (Decrease)	(1,098)	(800)	(10,493)	(11,856)
	AZL MVP Global Balanced Index Strategy Fund		AZL MVP Growth Index Strategy Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 47,003	\$ 1,813	\$ 3,765	\$ 11,071
Realized Gains (Losses) on Investments, Net	25,568	22,398	113,034	98,858
Net Change in Unrealized Appreciation (Depreciation) on Investments	(37,738)	65,955	(62,172)	278,770
Net Increase (Decrease) in Net Assets From Operations	34,833	90,166	54,627	388,699
<b>Contract Transactions-All Products</b>				
Purchase Payments	2,104	6,391	10,476	25,545
Transfers Between Funds or (to) from General Account	(21,643)	(20,621)	(3,343)	12,299
Surrenders and Terminations	(47,879)	(41,106)	(175,008)	(171,720)
Rescissions	(10)	(60)	(94)	(236)
Bonus (Recapture)	15	40	69	125
Contract Maintenance Charge	(123)	(134)	(381)	(397)
Rider charge	(9,432)	(9,814)	(23,161)	(23,506)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(76,968)	(65,304)	(191,442)	(157,890)
Increase (Decrease) in Net Assets	(42,135)	24,862	(136,815)	230,809
Net Assets at Beginning of Period	670,508	645,646	2,390,898	2,160,089
Net Assets at End of Period	\$ 628,373	\$ 670,508	\$ 2,254,083	\$ 2,390,898
<b>Changes in Units</b>				
Issued	156	494	623	2,413
Redeemed	(5,909)	(5,514)	(12,319)	(12,273)
Net Increase (Decrease)	(5,753)	(5,020)	(11,696)	(9,860)

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	AZL MVP Moderate Index Strategy Fund		AZL MVP T. Rowe Price Capital Appreciation Plus Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1,839	\$ 3,143	\$ 14,906	\$ 3,859
Realized Gains (Losses) on Investments, Net	19,515	18,443	52,206	45,523
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	1,339	49,876	3,467	139,145
Net Increase (Decrease) in Net Assets From Operations	22,693	71,462	70,579	188,527
<b>Contract Transactions-All Products</b>				
Purchase Payments	5,179	6,893	7,533	21,329
Transfers Between Funds or (to) from General Account	5,710	(6,412)	46,303	67,564
Surrenders and Terminations	(31,718)	(25,814)	(67,127)	(64,493)
Rescissions	(1)	—	(43)	(218)
Bonus (Recapture)	20	66	51	147
Contract Maintenance Charge	(79)	(80)	(157)	(151)
Rider charge	(6,441)	(6,326)	(17,249)	(16,100)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(27,330)	(31,673)	(30,689)	8,078
Increase (Decrease) in Net Assets	(4,637)	39,789	39,890	196,605
Net Assets at Beginning of Period	472,411	432,622	1,152,403	955,798
Net Assets at End of Period	\$ 467,774	\$ 472,411	\$ 1,192,293	\$ 1,152,403
<b>Changes in Units</b>				
Issued	777	448	3,438	6,172
Redeemed	(2,343)	(2,428)	(5,517)	(5,588)
Net Increase (Decrease)	(1,566)	(1,980)	(2,079)	584
	AZL Russell 1000 Growth Index Fund Class 1		AZL Russell 1000 Growth Index Fund Class 2	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (174)	\$ (33)	\$ (8,768)	\$ (7,436)
Realized Gains (Losses) on Investments, Net	5,532	8,344	66,239	86,699
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	13,098	6,130	128,022	87,554
Net Increase (Decrease) in Net Assets From Operations	18,456	14,441	185,493	166,817
<b>Contract Transactions-All Products</b>				
Purchase Payments	183	79	682	2,674
Transfers Between Funds or (to) from General Account	(1,141)	(861)	(63,531)	(16,878)
Surrenders and Terminations	(5,181)	(5,413)	(68,671)	(74,190)
Rescissions	—	—	(5)	—
Bonus (Recapture)	—	—	14	126
Contract Maintenance Charge	(17)	(16)	(114)	(115)
Rider charge	—	—	(820)	(1,017)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(6,156)	(6,211)	(132,445)	(89,400)
Increase (Decrease) in Net Assets	12,300	8,230	53,048	77,417
Net Assets at Beginning of Period	53,537	45,307	617,780	540,363
Net Assets at End of Period	\$ 65,837	\$ 53,537	\$ 670,828	\$ 617,780
<b>Changes in Units</b>				
Issued	111	59	40	121
Redeemed	(502)	(535)	(4,306)	(3,551)
Net Increase (Decrease)	(391)	(476)	(4,266)	(3,430)

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	AZL Russell 1000 Value Index Fund Class 1		AZL Russell 1000 Value Index Fund Class 2	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1,830	\$ 2,024	\$ 34	\$ (162)
Realized Gains (Losses) on Investments, Net	4,788	8,606	7,503	21,739
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(8,039)	20,632	(13,518)	67,825
Net Increase (Decrease) in Net Assets From Operations	(1,421)	31,262	(5,981)	89,402
<b>Contract Transactions-All Products</b>				
Purchase Payments	200	193	514	1,466
Transfers Between Funds or (to) from General Account	(4,104)	(1,812)	(8,831)	471
Surrenders and Terminations	(12,540)	(14,709)	(40,638)	(49,842)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	3	17
Contract Maintenance Charge	(41)	(46)	(79)	(90)
Rider charge	—	—	(442)	(569)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(16,485)	(16,374)	(49,473)	(48,547)
Increase (Decrease) in Net Assets	(17,906)	14,888	(55,454)	40,855
Net Assets at Beginning of Period	150,207	135,319	439,080	398,225
Net Assets at End of Period	\$ 132,301	\$ 150,207	\$ 383,626	\$ 439,080
<b>Changes in Units</b>				
Issued	196	119	96	163
Redeemed	(1,805)	(1,625)	(2,766)	(2,796)
Net Increase (Decrease)	(1,609)	(1,506)	(2,670)	(2,633)
	AZL S&P 500 Index Fund		AZL Small Cap Stock Index Fund Class 1	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (2,210)	\$ (3,509)	\$ 11	\$ (134)
Realized Gains (Losses) on Investments, Net	79,539	68,717	1,386	5,268
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	37,081	143,007	1,365	2,665
Net Increase (Decrease) in Net Assets From Operations	114,410	208,215	2,762	7,799
<b>Contract Transactions-All Products</b>				
Purchase Payments	1,067	3,507	13	8
Transfers Between Funds or (to) from General Account	24,311	(10,281)	(966)	(382)
Surrenders and Terminations	(91,834)	(106,832)	(3,023)	(4,673)
Rescissions	(6)	(12)	—	—
Bonus (Recapture)	13	124	—	—
Contract Maintenance Charge	(151)	(156)	(9)	(11)
Rider charge	(1,061)	(1,383)	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(67,661)	(115,033)	(3,985)	(5,058)
Increase (Decrease) in Net Assets	46,749	93,182	(1,223)	2,741
Net Assets at Beginning of Period	864,709	771,527	43,271	40,530
Net Assets at End of Period	\$ 911,458	\$ 864,709	\$ 42,048	\$ 43,271
<b>Changes in Units</b>				
Issued	1,003	193	12	8
Redeemed	(4,487)	(6,345)	(373)	(414)
Net Increase (Decrease)	(3,484)	(6,152)	(361)	(406)

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	AZL Small Cap Stock Index Fund Class 2		AZL T. Rowe Price Capital Appreciation Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (3,657)	\$ (5,279)	\$ (4,041)	\$ (25)
Realized Gains (Losses) on Investments, Net	6,585	47,647	65,461	49,410
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	28,801	38,474	14,813	58,726
Net Increase (Decrease) in Net Assets From Operations	31,729	80,842	76,233	108,111
<b>Contract Transactions-All Products</b>				
Purchase Payments	499	1,486	753	2,401
Transfers Between Funds or (to) from General Account	(5,096)	8,181	10,996	25,746
Surrenders and Terminations	(42,807)	(56,353)	(57,003)	(64,082)
Rescissions	—	(1)	(20)	(6)
Bonus (Recapture)	8	59	4	48
Contract Maintenance Charge	(74)	(87)	(98)	(101)
Rider charge	(193)	(249)	(411)	(513)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(47,663)	(46,964)	(45,779)	(36,507)
Increase (Decrease) in Net Assets	(15,934)	33,878	30,454	71,604
Net Assets at Beginning of Period	459,446	425,568	580,071	508,467
Net Assets at End of Period	\$ 443,512	\$ 459,446	\$ 610,525	\$ 580,071
<b>Changes in Units</b>				
Issued	34	489	509	1,359
Redeemed	(2,489)	(3,001)	(2,586)	(3,151)
Net Increase (Decrease)	(2,455)	(2,512)	(2,077)	(1,792)
	BlackRock Equity Dividend V.I. Fund		BlackRock Global Allocation V.I. Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 22	\$ 23	\$ (6,311)	\$ (6,862)
Realized Gains (Losses) on Investments, Net	49	149	75,701	45,954
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	14	214	110,754	127,363
Net Increase (Decrease) in Net Assets From Operations	85	386	180,144	166,455
<b>Contract Transactions-All Products</b>				
Purchase Payments	—	—	937	1,251
Transfers Between Funds or (to) from General Account	93	522	(78,215)	(42,296)
Surrenders and Terminations	(448)	(837)	(88,186)	(119,596)
Rescissions	—	—	(41)	(1)
Bonus (Recapture)	—	—	6	5
Contract Maintenance Charge	—	—	(229)	(255)
Rider charge	—	—	(13,572)	(14,292)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(355)	(315)	(179,300)	(175,184)
Increase (Decrease) in Net Assets	(270)	71	844	(8,729)
Net Assets at Beginning of Period	1,440	1,369	1,126,831	1,135,560
Net Assets at End of Period	\$ 1,170	\$ 1,440	\$ 1,127,675	\$ 1,126,831
<b>Changes in Units</b>				
Issued	9	25	68	97
Redeemed	(22)	(37)	(13,045)	(13,809)
Net Increase (Decrease)	(13)	(12)	(12,977)	(13,712)

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	BNY Mellon VIF Appreciation Portfolio		ClearBridge Variable Aggressive Growth Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
Operations:				
Investment Income (Loss), Net	\$ —	\$ 1	\$ 4	\$ 4
Realized Gains (Losses) on Investments, Net	4	5	115	(3)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	7	12	77	259
Net Increase (Decrease) in Net Assets From Operations	11	18	196	260
Contract Transactions-All Products				
Purchase Payments	—	—	—	—
Transfers Between Funds or (to) from General Account	—	—	—	(176)
Surrenders and Terminations	1	(23)	(91)	(114)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	1	(23)	(91)	(290)
Increase (Decrease) in Net Assets	12	(5)	105	(30)
Net Assets at Beginning of Period	50	55	1,170	1,200
Net Assets at End of Period	\$ 62	\$ 50	\$ 1,275	\$ 1,170
Changes in Units				
Issued	—	—	—	—
Redeemed	—	—	(3)	(12)
Net Increase (Decrease)	—	—	(3)	(12)
	Columbia Variable Portfolio – Seligman Global Technology Fund		Davis VA Financial Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
Operations:				
Investment Income (Loss), Net	\$ (20)	\$ (18)	\$ (242)	\$ (294)
Realized Gains (Losses) on Investments, Net	125	173	575	3,012
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	345	276	(4,229)	6,642
Net Increase (Decrease) in Net Assets From Operations	450	431	(3,896)	9,360
Contract Transactions-All Products				
Purchase Payments	—	—	—	—
Transfers Between Funds or (to) from General Account	—	(9)	(197)	175
Surrenders and Terminations	(148)	(150)	(3,663)	(4,743)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	(7)	(9)
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(148)	(159)	(3,867)	(4,577)
Increase (Decrease) in Net Assets	302	272	(7,763)	4,783
Net Assets at Beginning of Period	1,144	872	47,060	42,277
Net Assets at End of Period	\$ 1,446	\$ 1,144	\$ 39,297	\$ 47,060
Changes in Units				
Issued	—	—	12	4
Redeemed	(5)	(6)	(181)	(208)
Net Increase (Decrease)	(5)	(6)	(169)	(204)

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	Davis VA Real Estate Portfolio		Eaton Vance VT Floating-Rate Income Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
Operations:				
Investment Income (Loss), Net	\$ 1	\$ (1)	\$ 40	\$ 147
Realized Gains (Losses) on Investments, Net	8	22	(78)	(67)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(32)	41	(6)	281
Net Increase (Decrease) in Net Assets From Operations	(23)	62	(44)	361
Contract Transactions-All Products				
Purchase Payments	—	—	4	4
Transfers Between Funds or (to) from General Account	—	—	(302)	(5,960)
Surrenders and Terminations	(37)	(56)	(288)	(289)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(37)	(56)	(586)	(6,245)
Increase (Decrease) in Net Assets	(60)	6	(630)	(5,884)
Net Assets at Beginning of Period	266	260	1,778	7,662
Net Assets at End of Period	\$ 206	\$ 266	\$ 1,148	\$ 1,778
Changes in Units				
Issued	—	—	—	—
Redeemed	(1)	(1)	(37)	(361)
Net Increase (Decrease)	(1)	(1)	(37)	(361)
	Fidelity VIP Emerging Markets Portfolio		Fidelity VIP Funds Manager 50% Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
Operations:				
Investment Income (Loss), Net	\$ 16	\$ 55	\$ (160)	\$ (57)
Realized Gains (Losses) on Investments, Net	595	17	640	2,086
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	258	1,143	1,822	1,275
Net Increase (Decrease) in Net Assets From Operations	869	1,215	2,302	3,304
Contract Transactions-All Products				
Purchase Payments	7	—	26	38
Transfers Between Funds or (to) from General Account	(1,593)	(112)	(1,201)	(1,742)
Surrenders and Terminations	(155)	(1)	(1,975)	(2,085)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	1	1
Contract Maintenance Charge	—	—	(4)	(5)
Rider charge	—	—	(254)	(270)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(1,741)	(113)	(3,407)	(4,063)
Increase (Decrease) in Net Assets	(872)	1,102	(1,105)	(759)
Net Assets at Beginning of Period	5,435	4,333	22,443	23,202
Net Assets at End of Period	\$ 4,563	\$ 5,435	\$ 21,338	\$ 22,443
Changes in Units				
Issued	1	—	2	2
Redeemed	(147)	(11)	(212)	(281)
Net Increase (Decrease)	(146)	(11)	(210)	(279)

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	Fidelity VIP Funds Manager 60% Portfolio		Fidelity VIP Mid Cap Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (763)	\$ (476)	\$ 1	\$ 1
Realized Gains (Losses) on Investments, Net	992	11,907	(3)	52
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	9,242	2,943	99	56
Net Increase (Decrease) in Net Assets From Operations	9,471	14,374	97	109
<b>Contract Transactions-All Products</b>				
Purchase Payments	29	37	—	—
Transfers Between Funds or (to) from General Account	(3,089)	(5,748)	32	(142)
Surrenders and Terminations	(6,658)	(9,250)	—	—
Rescissions	—	—	—	—
Bonus (Recapture)	—	1	—	—
Contract Maintenance Charge	(14)	(15)	—	—
Rider charge	(812)	(876)	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(10,544)	(15,851)	32	(142)
Increase (Decrease) in Net Assets	(1,073)	(1,477)	129	(33)
Net Assets at Beginning of Period	84,768	86,245	482	515
Net Assets at End of Period	\$ 83,695	\$ 84,768	\$ 611	\$ 482
<b>Changes in Units</b>				
Issued	2	2	1	—
Redeemed	(673)	(1,088)	—	(3)
Net Increase (Decrease)	(671)	(1,086)	1	(3)
	Fidelity VIP Strategic Income Portfolio		Franklin Allocation VIP Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 56	\$ 50	\$ (731)	\$ 1,163
Realized Gains (Losses) on Investments, Net	9	7	19,702	5,381
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	38	126	(11,856)	8,125
Net Increase (Decrease) in Net Assets From Operations	103	183	7,115	14,669
<b>Contract Transactions-All Products</b>				
Purchase Payments	6	10	20	7
Transfers Between Funds or (to) from General Account	253	(221)	(2,593)	33
Surrenders and Terminations	(110)	(155)	(7,402)	(9,112)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	(20)	(22)
Rider charge	—	—	(18)	(22)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	149	(366)	(10,013)	(9,116)
Increase (Decrease) in Net Assets	252	(183)	(2,898)	5,553
Net Assets at Beginning of Period	1,824	2,007	94,216	88,663
Net Assets at End of Period	\$ 2,076	\$ 1,824	\$ 91,318	\$ 94,216
<b>Changes in Units</b>				
Issued	10	—	2	1
Redeemed	(5)	(17)	(878)	(812)
Net Increase (Decrease)	5	(17)	(876)	(811)

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	Franklin Income VIP Fund		Franklin Mutual Shares VIP Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
Operations:				
Investment Income (Loss), Net	\$ 38,579	\$ 39,598	\$ 2,433	\$ (391)
Realized Gains (Losses) on Investments, Net	(10,084)	22,530	(2,413)	38,050
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(47,157)	79,604	(27,657)	27,728
Net Increase (Decrease) in Net Assets From Operations	(18,662)	141,732	(27,637)	65,387
Contract Transactions-All Products				
Purchase Payments	1,323	2,104	315	305
Transfers Between Funds or (to) from General Account	(20,468)	(7,581)	(5,063)	3,037
Surrenders and Terminations	(81,957)	(99,490)	(31,340)	(45,923)
Rescissions	(7)	(4)	(2)	—
Bonus (Recapture)	8	15	—	—
Contract Maintenance Charge	(216)	(233)	(79)	(89)
Rider charge	(7,747)	(8,308)	(280)	(392)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(109,064)	(113,497)	(36,449)	(43,062)
Increase (Decrease) in Net Assets	(127,726)	28,235	(64,086)	22,325
Net Assets at Beginning of Period	1,065,730	1,037,495	360,673	338,348
Net Assets at End of Period	<u>\$ 938,004</u>	<u>\$ 1,065,730</u>	<u>\$ 296,587</u>	<u>\$ 360,673</u>
Changes in Units				
Issued	85	87	121	184
Redeemed	(1,856)	(1,960)	(1,470)	(1,814)
Net Increase (Decrease)	(1,771)	(1,873)	(1,349)	(1,630)
	Franklin Rising Dividends VIP Fund		Franklin Strategic Income VIP Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
Operations:				
Investment Income (Loss), Net	\$ (822)	\$ (866)	\$ 33	\$ 41
Realized Gains (Losses) on Investments, Net	14,951	40,783	(5)	(14)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	11,482	10,721	(6)	36
Net Increase (Decrease) in Net Assets From Operations	25,611	50,638	22	63
Contract Transactions-All Products				
Purchase Payments	104	134	—	—
Transfers Between Funds or (to) from General Account	(6,080)	(108)	—	(168)
Surrenders and Terminations	(20,227)	(26,069)	(45)	(3)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	(48)	(50)	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(26,251)	(26,093)	(45)	(171)
Increase (Decrease) in Net Assets	(640)	24,545	(23)	(108)
Net Assets at Beginning of Period	219,360	194,815	724	832
Net Assets at End of Period	<u>\$ 218,720</u>	<u>\$ 219,360</u>	<u>\$ 701</u>	<u>\$ 724</u>
Changes in Units				
Issued	47	42	—	—
Redeemed	(451)	(441)	(1)	(7)
Net Increase (Decrease)	(404)	(399)	(1)	(7)

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**ALLIANZ LIFE VARIABLE ACCOUNT B**  
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	Franklin U.S. Government Securities VIP Fund		Invesco Oppenheimer V.I. Global Strategic Income Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 3,207	\$ 2,456	\$ 82	\$ 46
Realized Gains (Losses) on Investments, Net	(1,224)	(2,220)	(82)	(30)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	2,056	6,982	15	180
Net Increase (Decrease) in Net Assets From Operations	4,039	7,218	15	196
<b>Contract Transactions-All Products</b>				
Purchase Payments	147	190	—	—
Transfers Between Funds or (to) from General Account	430	3,148	64	88
Surrenders and Terminations	(23,974)	(30,045)	(214)	(268)
Rescissions	(3)	—	—	—
Bonus (Recapture)	—	4	—	—
Contract Maintenance Charge	(64)	(70)	(1)	(1)
Rider charge	(1,041)	(1,150)	—	—
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(24,505)	(27,923)	(151)	(181)
Increase (Decrease) in Net Assets	(20,466)	(20,705)	(136)	15
Net Assets at Beginning of Period	200,585	221,290	2,303	2,288
Net Assets at End of Period	\$ 180,119	\$ 200,585	\$ 2,167	\$ 2,303
<b>Changes in Units</b>				
Issued	14	119	2	3
Redeemed	(928)	(1,146)	(9)	(11)
Net Increase (Decrease)	(914)	(1,027)	(7)	(8)
	Invesco Oppenheimer V.I. International Growth Fund		Invesco V.I. American Value Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 2	\$ 8	\$ 1	\$ —
Realized Gains (Losses) on Investments, Net	14	57	(168)	46
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	142	328	29	123
Net Increase (Decrease) in Net Assets From Operations	158	393	(138)	169
<b>Contract Transactions-All Products</b>				
Purchase Payments	—	—	—	—
Transfers Between Funds or (to) from General Account	33	(225)	(210)	320
Surrenders and Terminations	(136)	(611)	(10)	(230)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(103)	(836)	(220)	90
Increase (Decrease) in Net Assets	55	(443)	(358)	259
Net Assets at Beginning of Period	1,281	1,724	780	521
Net Assets at End of Period	\$ 1,336	\$ 1,281	\$ 422	\$ 780
<b>Changes in Units</b>				
Issued	—	—	—	9
Redeemed	(6)	(33)	(9)	(5)
Net Increase (Decrease)	(6)	(33)	(9)	4

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	Invesco V.I. Balanced-Risk Allocation Fund		Ivy VIP Asset Strategy Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 27	\$ (2)	\$ 15	\$ 15
Realized Gains (Losses) on Investments, Net	15	(111)	10	10
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(8)	207	89	140
Net Increase (Decrease) in Net Assets From Operations	34	94	114	165
<b>Contract Transactions-All Products</b>				
Purchase Payments	—	—	—	—
Transfers Between Funds or (to) from General Account	3	—	(14)	—
Surrenders and Terminations	(25)	(636)	(2)	(117)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(22)	(636)	(16)	(117)
Increase (Decrease) in Net Assets	12	(542)	98	48
Net Assets at Beginning of Period	382	924	878	830
Net Assets at End of Period	\$ 394	\$ 382	\$ 976	\$ 878
<b>Changes in Units</b>				
Issued	—	—	—	—
Redeemed	(1)	(30)	(1)	(1)
Net Increase (Decrease)	(1)	(30)	(1)	(1)
	Ivy VIP Energy Portfolio		Ivy VIP Growth Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1	\$ (1)	\$ (1)	\$ (1)
Realized Gains (Losses) on Investments, Net	(62)	(118)	63	95
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	8	126	61	23
Net Increase (Decrease) in Net Assets From Operations	(53)	7	123	117
<b>Contract Transactions-All Products</b>				
Purchase Payments	—	—	—	—
Transfers Between Funds or (to) from General Account	(5)	(29)	—	(5)
Surrenders and Terminations	(27)	(148)	(15)	(117)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(32)	(177)	(15)	(122)
Increase (Decrease) in Net Assets	(85)	(170)	108	(5)
Net Assets at Beginning of Period	128	298	398	403
Net Assets at End of Period	\$ 43	\$ 128	\$ 506	\$ 398
<b>Changes in Units</b>				
Issued	—	—	—	—
Redeemed	(7)	(22)	—	(1)
Net Increase (Decrease)	(7)	(22)	—	(1)

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	Ivy VIP Mid Cap Growth Portfolio		Ivy VIP Natural Resources Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (2)	\$ (2)	\$ 1	\$ 1
Realized Gains (Losses) on Investments, Net	85	107	(2)	(4)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	197	62	(4)	9
Net Increase (Decrease) in Net Assets From Operations	280	167	(5)	6
<b>Contract Transactions-All Products</b>				
Purchase Payments	—	—	—	—
Transfers Between Funds or (to) from General Account	(89)	122	4	4
Surrenders and Terminations	—	(1)	—	(11)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(89)	121	4	(7)
Increase (Decrease) in Net Assets	191	288	(1)	(1)
Net Assets at Beginning of Period	698	410	60	61
Net Assets at End of Period	\$ 889	\$ 698	\$ 59	\$ 60
<b>Changes in Units</b>				
Issued	1	2	1	—
Redeemed	(3)	—	(1)	—
Net Increase (Decrease)	(2)	2	—	—
	Ivy VIP Science and Technology Portfolio		JPMorgan Insurance Trust Core Bond Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (3)	\$ (4)	\$ 86	\$ 188
Realized Gains (Losses) on Investments, Net	234	174	282	69
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	49	360	1,029	1,002
Net Increase (Decrease) in Net Assets From Operations	280	530	1,397	1,259
<b>Contract Transactions-All Products</b>				
Purchase Payments	—	—	85	147
Transfers Between Funds or (to) from General Account	(124)	(142)	4,286	3,422
Surrenders and Terminations	(413)	(342)	(2,200)	(2,460)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	2	2
Contract Maintenance Charge	—	—	(3)	(3)
Rider charge	—	—	(262)	(220)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(537)	(484)	1,908	888
Increase (Decrease) in Net Assets	(257)	46	3,305	2,147
Net Assets at Beginning of Period	1,303	1,257	22,080	19,933
Net Assets at End of Period	\$ 1,046	\$ 1,303	\$ 25,385	\$ 22,080
<b>Changes in Units</b>				
Issued	—	—	307	255
Redeemed	(2)	(3)	(162)	(193)
Net Increase (Decrease)	(2)	(3)	145	62

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	Lazard Retirement International Equity Portfolio		Lazard Retirement U.S. Small- Mid Cap Equity Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 4	\$ —	\$ (6)	\$ (6)
Realized Gains (Losses) on Investments, Net	7	(3)	(304)	(169)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	10	48	21	759
Net Increase (Decrease) in Net Assets From Operations	21	45	(289)	584
<b>Contract Transactions-All Products</b>				
Purchase Payments	7	—	—	—
Transfers Between Funds or (to) from General Account	—	(5)	(2,730)	482
Surrenders and Terminations	(5)	(4)	(305)	(157)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	2	(9)	(3,035)	325
Increase (Decrease) in Net Assets	23	36	(3,324)	909
Net Assets at Beginning of Period	260	224	3,860	2,951
Net Assets at End of Period	\$ 283	\$ 260	\$ 536	\$ 3,860
<b>Changes in Units</b>				
Issued	—	—	—	4
Redeemed	—	—	(63)	(3)
Net Increase (Decrease)	—	—	(63)	1
	MFS International Intrinsic Value Portfolio		MFS VIT Total Return Bond Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 11	\$ 27	\$ 634	\$ 605
Realized Gains (Losses) on Investments, Net	118	123	356	109
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	307	350	1,197	1,922
Net Increase (Decrease) in Net Assets From Operations	436	500	2,187	2,636
<b>Contract Transactions-All Products</b>				
Purchase Payments	—	—	183	1,454
Transfers Between Funds or (to) from General Account	(141)	(71)	6,149	5,499
Surrenders and Terminations	(73)	(88)	(6,786)	(5,727)
Rescissions	—	—	—	(36)
Bonus (Recapture)	—	—	2	40
Contract Maintenance Charge	—	—	(5)	(5)
Rider charge	—	—	(369)	(342)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(214)	(159)	(826)	883
Increase (Decrease) in Net Assets	222	341	1,361	3,519
Net Assets at Beginning of Period	2,376	2,035	35,037	31,518
Net Assets at End of Period	\$ 2,598	\$ 2,376	\$ 36,398	\$ 35,037
<b>Changes in Units</b>				
Issued	—	—	319	378
Redeemed	(10)	(8)	(362)	(333)
Net Increase (Decrease)	(10)	(8)	(43)	45

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Statements of Changes in Net Assets  
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	MFS VIT Utilities Portfolio		Oppenheimer Global Multi-Alternatives Fund/VA	
	2020	2019	2020	2019 (B)
<b>Increase (Decrease) in Net Assets:</b>				
Operations:				
Investment Income (Loss), Net	\$ 5	\$ 84	\$ —	\$ 1
Realized Gains (Losses) on Investments, Net	(1)	147	—	(3)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(21)	31	—	5
Net Increase (Decrease) in Net Assets From Operations	(17)	262	—	3
Contract Transactions-All Products				
Purchase Payments	—	—	—	—
Transfers Between Funds or (to) from General Account	(180)	130	—	(92)
Surrenders and Terminations	(127)	(54)	—	(8)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(307)	76	—	(100)
Increase (Decrease) in Net Assets	(324)	338	—	(97)
Net Assets at Beginning of Period	431	93	—	97
Net Assets at End of Period	\$ 107	\$ 431	\$ —	\$ —
Changes in Units				
Issued	—	10	—	—
Redeemed	(8)	(2)	—	(10)
Net Increase (Decrease)	(8)	8	—	(10)
	PIMCO VIT All Asset Portfolio		PIMCO VIT Balanced Allocation Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
Operations:				
Investment Income (Loss), Net	\$ 8,946	\$ 3,663	\$ (358)	\$ 545
Realized Gains (Losses) on Investments, Net	(2,757)	(1,134)	5,399	1
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	9,125	27,382	1,455	11,854
Net Increase (Decrease) in Net Assets From Operations	15,314	29,911	6,496	12,400
Contract Transactions-All Products				
Purchase Payments	307	637	154	219
Transfers Between Funds or (to) from General Account	(6,425)	(3,315)	(2,812)	(1,756)
Surrenders and Terminations	(25,294)	(31,496)	(6,377)	(4,837)
Rescissions	(4)	(1)	—	—
Bonus (Recapture)	6	12	2	3
Contract Maintenance Charge	(73)	(80)	(17)	(18)
Rider charge	(3,204)	(3,430)	(1,010)	(1,060)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(34,687)	(37,673)	(10,060)	(7,449)
Increase (Decrease) in Net Assets	(19,373)	(7,762)	(3,564)	4,951
Net Assets at Beginning of Period	308,198	315,960	79,383	74,432
Net Assets at End of Period	\$ 288,825	\$ 308,198	\$ 75,819	\$ 79,383
Changes in Units				
Issued	23	43	13	19
Redeemed	(2,055)	(2,256)	(862)	(682)
Net Increase (Decrease)	(2,032)	(2,213)	(849)	(663)

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	PIMCO VIT CommodityRealReturn Strategy Portfolio		PIMCO VIT Dynamic Bond Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1,518	\$ 971	\$ 1,948	\$ 5,275
Realized Gains (Losses) on Investments, Net	(7,826)	(6,289)	(434)	283
Net Change in Unrealized Appreciation (Depreciation) on Investments	5,972	8,893	2,606	459
Net Increase (Decrease) in Net Assets From Operations	(336)	3,575	4,120	6,017
<b>Contract Transactions-All Products</b>				
Purchase Payments	15	32	87	79
Transfers Between Funds or (to) from General Account	1,328	3,717	543	5,509
Surrenders and Terminations	(4,052)	(5,714)	(29,515)	(24,281)
Rescissions	—	—	(87)	(2)
Bonus (Recapture)	—	—	1	—
Contract Maintenance Charge	(11)	(12)	(35)	(39)
Rider charge	(33)	(45)	(1,839)	(2,088)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(2,753)	(2,022)	(30,845)	(20,822)
Increase (Decrease) in Net Assets	(3,089)	1,553	(26,725)	(14,805)
Net Assets at Beginning of Period	41,546	39,993	172,393	187,198
Net Assets at End of Period	\$ 38,457	\$ 41,546	\$ 145,668	\$ 172,393
<b>Changes in Units</b>				
Issued	360	695	24	513
Redeemed	(862)	(1,072)	(2,871)	(2,447)
Net Increase (Decrease)	(502)	(377)	(2,847)	(1,934)
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 2,385	\$ 2,671	\$ 256	\$ 293
Realized Gains (Losses) on Investments, Net	(599)	(856)	(1,392)	(1,399)
Net Change in Unrealized Appreciation (Depreciation) on Investments	2,105	10,647	4,555	3,294
Net Increase (Decrease) in Net Assets From Operations	3,891	12,462	3,419	2,188
<b>Contract Transactions-All Products</b>				
Purchase Payments	25	47	12	12
Transfers Between Funds or (to) from General Account	2,547	(2,890)	(214)	1,492
Surrenders and Terminations	(14,715)	(19,389)	(6,691)	(7,560)
Rescissions	—	(1)	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	(23)	(26)	(14)	(16)
Rider charge	(787)	(917)	(295)	(336)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(12,953)	(23,176)	(7,202)	(6,408)
Increase (Decrease) in Net Assets	(9,062)	(10,714)	(3,783)	(4,220)
Net Assets at Beginning of Period	95,266	105,980	51,561	55,781
Net Assets at End of Period	\$ 86,204	\$ 95,266	\$ 47,778	\$ 51,561
<b>Changes in Units</b>				
Issued	138	3	2	122
Redeemed	(807)	(1,242)	(578)	(637)
Net Increase (Decrease)	(669)	(1,239)	(576)	(515)

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	PIMCO VIT Global Core Bond (Hedged) Portfolio		PIMCO VIT Global Managed Asset Allocation Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 3,656	\$ 604	\$ 7,899	\$ 647
Realized Gains (Losses) on Investments, Net	547	581	2,376	(494)
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	630	4,624	7,089	19,029
Net Increase (Decrease) in Net Assets From Operations	4,833	5,809	17,364	19,182
<b>Contract Transactions-All Products</b>				
Purchase Payments	143	470	260	196
Transfers Between Funds or (to) from General Account	3,800	837	(6,836)	(4,151)
Surrenders and Terminations	(14,137)	(18,826)	(10,988)	(14,536)
Rescissions	—	—	—	—
Bonus (Recapture)	4	6	2	1
Contract Maintenance Charge	(21)	(23)	(34)	(37)
Rider charge	(965)	(1,088)	(2,115)	(2,223)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(11,176)	(18,624)	(19,711)	(20,750)
Increase (Decrease) in Net Assets	(6,343)	(12,815)	(2,347)	(1,568)
Net Assets at Beginning of Period	85,815	98,630	133,161	134,729
Net Assets at End of Period	\$ 79,472	\$ 85,815	\$ 130,814	\$ 133,161
<b>Changes in Units</b>				
Issued	366	143	20	16
Redeemed	(1,448)	(2,034)	(1,539)	(1,734)
Net Increase (Decrease)	(1,082)	(1,891)	(1,519)	(1,718)

  

	PIMCO VIT High Yield Portfolio		PIMCO VIT Long-Term U.S. Government Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 15,991	\$ 19,634	\$ 12	\$ 11
Realized Gains (Losses) on Investments, Net	(2,487)	(490)	1,242	79
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	3,021	52,496	94	82
Net Increase (Decrease) in Net Assets From Operations	16,525	71,640	1,348	172
<b>Contract Transactions-All Products</b>				
Purchase Payments	400	325	11	139
Transfers Between Funds or (to) from General Account	(5,264)	(5,464)	1,987	5,321
Surrenders and Terminations	(84,993)	(86,724)	(3,017)	(1,274)
Rescissions	(102)	(1)	—	(6)
Bonus (Recapture)	8	3	1	7
Contract Maintenance Charge	(122)	(136)	(1)	—
Rider charge	(5,291)	(6,101)	(36)	(21)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(95,364)	(98,098)	(1,055)	4,166
Increase (Decrease) in Net Assets	(78,839)	(26,458)	293	4,338
Net Assets at Beginning of Period	560,228	586,686	5,112	774
Net Assets at End of Period	\$ 481,389	\$ 560,228	\$ 5,405	\$ 5,112
<b>Changes in Units</b>				
Issued	21	17	68	196
Redeemed	(4,059)	(4,245)	(86)	(50)
Net Increase (Decrease)	(4,038)	(4,228)	(18)	146

See accompanying notes to financial statements

# ALLIANZ LIFE VARIABLE ACCOUNT B OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Statements of Changes in Net Assets  
For the years or periods ended December 31, 2020 and 2019  
(In thousands)

	PIMCO VIT Low Duration Portfolio		PIMCO VIT Real Return Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 100	\$ 190	\$ (841)	\$ (180)
Realized Gains (Losses) on Investments, Net	154	(1)	(28)	(3,885)
Net Change in Unrealized Appreciation (Depreciation) on Investments	6	85	25,435	23,687
Net Increase (Decrease) in Net Assets From Operations	260	274	24,566	19,622
<b>Contract Transactions-All Products</b>				
Purchase Payments	14	16	223	349
Transfers Between Funds or (to) from General Account	(1,351)	3,373	(6,690)	2,834
Surrenders and Terminations	(916)	(417)	(38,427)	(46,532)
Rescissions	—	—	(33)	(3)
Bonus (Recapture)	—	—	3	5
Contract Maintenance Charge	—	—	(77)	(86)
Rider charge	—	—	(2,540)	(2,835)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(2,253)	2,972	(47,541)	(46,268)
Increase (Decrease) in Net Assets	(1,993)	3,246	(22,975)	(26,646)
Net Assets at Beginning of Period	8,661	5,415	284,537	311,183
Net Assets at End of Period	\$ 6,668	\$ 8,661	\$ 261,562	\$ 284,537
<b>Changes in Units</b>				
Issued	1	180	21	205
Redeemed	(113)	(23)	(3,105)	(3,342)
Net Increase (Decrease)	(112)	157	(3,084)	(3,137)

  

	PIMCO VIT StocksPLUS Global Portfolio		PIMCO VIT Total Return Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (1,935)	\$ (1,145)	\$ 3,228	\$ 11,257
Realized Gains (Losses) on Investments, Net	11,545	(6,434)	13,997	(3,047)
Net Change in Unrealized Appreciation (Depreciation) on Investments	10,772	60,145	35,502	47,501
Net Increase (Decrease) in Net Assets From Operations	20,382	52,566	52,727	55,711
<b>Contract Transactions-All Products</b>				
Purchase Payments	123	281	1,189	2,903
Transfers Between Funds or (to) from General Account	(11,262)	(914)	38,345	27,925
Surrenders and Terminations	(22,337)	(26,808)	(121,155)	(124,253)
Rescissions	—	(3)	(43)	(80)
Bonus (Recapture)	—	1	6	25
Contract Maintenance Charge	(53)	(57)	(209)	(228)
Rider charge	(78)	(113)	(6,977)	(7,458)
Net Increase (Decrease) in Net Assets Resulting From Contract Transactions	(33,607)	(27,613)	(88,844)	(101,166)
Increase (Decrease) in Net Assets	(13,225)	24,953	(36,117)	(45,455)
Net Assets at Beginning of Period	244,261	219,308	836,413	881,868
Net Assets at End of Period	\$ 231,036	\$ 244,261	\$ 800,296	\$ 836,413
<b>Changes in Units</b>				
Issued	57	66	1,753	1,479
Redeemed	(2,516)	(2,232)	(5,942)	(6,542)
Net Increase (Decrease)	(2,459)	(2,166)	(4,189)	(5,063)

See accompanying notes to financial statements

# ALLIANZ LIFE VARIABLE ACCOUNT B OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Statements of Changes in Net Assets  
For the years or periods ended December 31, 2020 and 2019  
(In thousands)

	QS Legg Mason Dynamic Multi- Strategy VIT Portfolio		RCM Dynamic Multi-Asset Plus VIT Portfolio	
	2020	2019	2020 (A)	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 1	\$ 3	\$ (73)	\$ 6
Realized Gains (Losses) on Investments, Net	(1)	—	(1,508)	438
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(13)	26	(645)	2,385
Net Increase (Decrease) in Net Assets From Operations	(13)	29	(2,226)	2,829
<b>Contract Transactions-All Products</b>				
Purchase Payments	14	—	105	909
Transfers Between Funds or (to) from General Account	(155)	13	(17,213)	(4,192)
Surrenders and Terminations	(12)	(13)	(365)	(1,092)
Rescissions	—	—	—	(51)
Bonus (Recapture)	—	—	1	5
Contract Maintenance Charge	—	—	(1)	(4)
Rider charge	—	—	(94)	(313)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(153)	—	(17,567)	(4,738)
Increase (Decrease) in Net Assets	(166)	29	(19,793)	(1,909)
Net Assets at Beginning of Period	228	199	19,793	21,702
Net Assets at End of Period	\$ 62	\$ 228	\$ —	\$ 19,793
<b>Changes in Units</b>				
Issued	1	1	10	86
Redeemed	(12)	(1)	(1,777)	(537)
Net Increase (Decrease)	(11)	—	(1,767)	(451)
	T. Rowe Price Blue Chip Growth Portfolio		T. Rowe Price Equity Income Portfolio	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (11)	\$ (17)	\$ 18	\$ 24
Realized Gains (Losses) on Investments, Net	906	486	(86)	64
Net Change in Unrealized Appreciation				
(Depreciation) on Investments	(169)	732	25	241
Net Increase (Decrease) in Net Assets From Operations	726	1,201	(43)	329
<b>Contract Transactions-All Products</b>				
Purchase Payments	32	—	—	—
Transfers Between Funds or (to) from General Account	(2,095)	2,501	(225)	(300)
Surrenders and Terminations	(246)	(808)	(135)	(147)
Rescissions	—	—	—	—
Bonus (Recapture)	—	—	—	—
Contract Maintenance Charge	—	—	—	—
Rider charge	—	—	—	—
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(2,309)	1,693	(360)	(447)
Increase (Decrease) in Net Assets	(1,583)	2,894	(403)	(118)
Net Assets at Beginning of Period	5,813	2,919	1,320	1,438
Net Assets at End of Period	\$ 4,230	\$ 5,813	\$ 917	\$ 1,320
<b>Changes in Units</b>				
Issued	1	58	—	—
Redeemed	(54)	(17)	(13)	(15)
Net Increase (Decrease)	(53)	41	(13)	(15)

See accompanying notes to financial statements

**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Changes in Net Assets  
For the years or periods ended December 31, 2020 and 2019  
(In thousands)

	T. Rowe Price Health Sciences Portfolio		Templeton Global Bond VIP Fund	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ (3)	\$ (3)	\$ 32,950	\$ 32,257
Realized Gains (Losses) on Investments, Net	190	97	(19,516)	(7,918)
<b>Net Change in Unrealized Appreciation</b>				
(Depreciation) on Investments	58	193	(49,628)	(21,174)
<b>Net Increase (Decrease) in Net Assets From Operations</b>	<b>245</b>	<b>287</b>	<b>(36,194)</b>	<b>3,165</b>
<b>Contract Transactions-All Products</b>				
Purchase Payments	—	—	348	464
Transfers Between Funds or (to) from General Account	(80)	(58)	32,524	33,272
Surrenders and Terminations	(355)	(148)	(83,330)	(91,356)
Rescissions	—	—	(21)	—
Bonus (Recapture)	—	—	2	6
Contract Maintenance Charge	—	—	(143)	(158)
Rider charge	—	—	(5,546)	(6,393)
<b>Net Increase (Decrease) in Net Assets Resulting From Contract Transactions</b>	<b>(435)</b>	<b>(206)</b>	<b>(56,166)</b>	<b>(64,165)</b>
<b>Increase (Decrease) in Net Assets</b>	<b>(190)</b>	<b>81</b>	<b>(92,360)</b>	<b>(61,000)</b>
<b>Net Assets at Beginning of Period</b>	<b>1,194</b>	<b>1,113</b>	<b>555,889</b>	<b>616,889</b>
<b>Net Assets at End of Period</b>	<b>\$ 1,004</b>	<b>\$ 1,194</b>	<b>\$ 463,529</b>	<b>\$ 555,889</b>
<b>Changes in Units</b>				
Issued	—	—	777	738
Redeemed	(4)	(3)	(2,048)	(2,129)
<b>Net Increase (Decrease)</b>	<b>(4)</b>	<b>(3)</b>	<b>(1,271)</b>	<b>(1,391)</b>

**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Statements of Changes in Net Assets  
For the years or periods ended December 31, 2020 and 2019  
(In thousands)

	Templeton Growth VIP Fund		Total All Funds	
	2020	2019	2020	2019
<b>Increase (Decrease) in Net Assets:</b>				
<b>Operations:</b>				
Investment Income (Loss), Net	\$ 2,230	\$ 2,191	\$ 200,566	\$ 147,413
Realized Gains (Losses) on Investments, Net	(13,434)	39,212	691,677	958,614
<b>Net Change in Unrealized Appreciation</b>				
(Depreciation) on Investments	15,280	(13,313)	360,512	2,178,352
Net Increase (Decrease) in Net Assets From Operations	4,076	28,090	1,252,755	3,284,379
<b>Contract Transactions-All Products</b>				
Purchase Payments	223	168	1,351,317	1,017,329
Transfers Between Funds or (to) from General Account	(7,953)	9,401	(1,141,172)	(548,300)
Surrenders and Terminations	(21,961)	(28,400)	(2,267,191)	(2,537,963)
Rescissions	(19)	—	(13,954)	(11,095)
Bonus (Recapture)	—	—	503	1,562
Contract Maintenance Charge	(64)	(70)	(4,472)	(4,797)
Rider charge	(225)	(301)	(180,985)	(188,686)
Net Increase (Decrease) in Net Assets Resulting				
From Contract Transactions	(29,999)	(19,202)	(2,255,954)	(2,271,950)
Increase (Decrease) in Net Assets	(25,923)	8,888	(1,003,199)	1,012,429
Net Assets at Beginning of Period	233,321	224,433	22,595,431	21,583,002
Net Assets at End of Period	\$ 207,398	\$ 233,321	\$ 21,592,232	\$ 22,595,431
<b>Changes in Units</b>				
Issued	123	401	121,113	96,804
Redeemed	(1,312)	(1,277)	(249,814)	(230,192)
Net Increase (Decrease)	(1,189)	(876)	(128,701)	(133,388)

(A) Fund terminated in 2020 . See Footnote 1 for further details.

(B) Fund terminated in 2019 . See Footnote 1 for further details.

# ALLIANZ LIFE VARIABLE ACCOUNT B OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Notes to the Financial Statements  
December 31, 2020

## (1) Organization

Allianz Life Variable Account B (Variable Account) is a segregated investment account of Allianz Life Insurance Company of North America (Allianz Life) and is registered with the Securities and Exchange Commission as a unit investment trust pursuant to the provisions of the Investment Company Act of 1940 (1940 Act), as amended. Allianz Life applies the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) guidance of Topic 946, Financial Services - Investment Companies. The Variable Account was established on May 31, 1985, and commenced operations January 24, 1989. Accordingly, it is an accounting entity wherein all segregated account transactions are reflected.

The Variable Account's assets are the property of Allianz Life and are held for the benefit of the owners and other persons entitled to payments under variable annuity contracts issued through the Variable Account and underwritten by Allianz Life. The assets of the Variable Account are equal to the reserves and other liabilities of the Variable Account. These assets are not chargeable with liabilities that arise from any other business Allianz Life may conduct. Allianz Life products offered under the Variable Account are listed below. The only product actively being marketed is Allianz Index Advantage.

- Allianz Alterity
- Allianz Charter
- Allianz Connections
- Allianz Custom Income
- Allianz Dimensions
- Allianz Elite
- Allianz High Five
- Allianz Index Advantage
- Allianz Retirement Advantage
- Allianz Retirement Pro
- Allianz Rewards
- Allianz Valuemark
- Allianz Vision

The Variable Account's subaccounts are invested, at net asset values, in one or more of the funds (investment options) in accordance with the selection made by the contractholder. The contractholder may have the option to invest in the fixed account or other index options in the General Account, based on the product features. The liabilities of the fixed account are included in the General Account, which is not registered as an investment company under the 1940 Act. Not all funds listed are available for all products. Some funds have been closed to accepting new money. Generally, each multiple-class fund is presented on an aggregate basis. When mergers occur, the fund will generally be presented separately by class, to disclose which class received additional money. The funds and investment advisers are:

Fund	Investment Adviser
AZL Balanced Index Strategy Fund *†	Allianz Investment Management, LLC
AZL DFA Five-Year Global Fixed Income Fund *†	Allianz Investment Management, LLC
AZL DFA Multi-Strategy Fund *†	Allianz Investment Management, LLC
AZL Enhanced Bond Index Fund *†	Allianz Investment Management, LLC
AZL Fidelity Institutional Asset Management Multi-Strategy Fund *†	Allianz Investment Management, LLC
AZL Fidelity Institutional Asset Management Total Bond Fund Class 1 †	Allianz Investment Management, LLC
AZL Fidelity Institutional Asset Management Total Bond Fund Class 2 *†	Allianz Investment Management, LLC
AZL Gateway Fund *†	Allianz Investment Management, LLC
AZL Government Money Market Fund *†	Allianz Investment Management, LLC
AZL International Index Fund Class 1 †	Allianz Investment Management, LLC
AZL International Index Fund Class 2 *†	Allianz Investment Management, LLC
AZL MetWest Total Return Bond Fund *†	Allianz Investment Management, LLC
AZL Mid Cap Index Fund Class 1 †	Allianz Investment Management, LLC
AZL Mid Cap Index Fund Class 2 *†	Allianz Investment Management, LLC
AZL Moderate Index Strategy Fund *†	Allianz Investment Management, LLC
AZL MSCI Emerging Markets Equity Index Class 1 †	Allianz Investment Management, LLC

**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Notes to the Financial Statements  
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Fund	Investment Adviser
AZL MSCI Emerging Markets Equity Index Class 2 *†	Allianz Investment Management, LLC
AZL MSCI Global Equity Index Fund *†	Allianz Investment Management, LLC
AZL MVP Balanced Index Strategy Fund *†	Allianz Investment Management, LLC
AZL MVP DFA Multi-Strategy Fund *†	Allianz Investment Management, LLC
AZL MVP Fidelity Institutional Asset Management Multi-Strategy Fund *†	Allianz Investment Management, LLC
AZL MVP Fusion Dynamic Balanced Fund *†	Allianz Investment Management, LLC
AZL MVP Fusion Dynamic Conservative Fund *†	Allianz Investment Management, LLC
AZL MVP Fusion Dynamic Moderate Fund *†	Allianz Investment Management, LLC
AZL MVP Global Balanced Index Strategy Fund *†	Allianz Investment Management, LLC
AZL MVP Growth Index Strategy Fund *†	Allianz Investment Management, LLC
AZL MVP Moderate Index Strategy Fund *†	Allianz Investment Management, LLC
AZL MVP T. Rowe Price Capital Appreciation Plus Fund *†	Allianz Investment Management, LLC
AZL Russell 1000 Growth Index Fund Class 1 †	Allianz Investment Management, LLC
AZL Russell 1000 Growth Index Fund Class 2 *†	Allianz Investment Management, LLC
AZL Russell 1000 Value Index Fund Class 1 †	Allianz Investment Management, LLC
AZL Russell 1000 Value Index Fund Class 2 *†	Allianz Investment Management, LLC
AZL S&P 500 Index Fund *†	Allianz Investment Management, LLC
AZL Small Cap Stock Index Fund Class 1 †	Allianz Investment Management, LLC
AZL Small Cap Stock Index Fund Class 2 *†	Allianz Investment Management, LLC
AZL T. Rowe Price Capital Appreciation Fund *†	Allianz Investment Management, LLC
BlackRock Equity Dividend V.I. Fund *	BlackRock Advisors, LLC
BlackRock Global Allocation V.I. Fund *	BlackRock Advisors, LLC
BNY Mellon VIF Appreciation Portfolio *	BNY Mellon Investment Adviser, Inc
ClearBridge Variable Aggressive Growth Portfolio	Legg Mason Partners Fund Advisor, LLC
Columbia Variable Portfolio – Seligman Global Technology Fund	Columbia Management Investment Advisors, LLC
Davis VA Financial Portfolio	Davis Selected Advisers, L.P.
Davis VA Real Estate Portfolio	Davis Selected Advisers, L.P.
Eaton Vance VT Floating-Rate Income Fund *	Eaton Vance Management
Fidelity VIP Emerging Markets Portfolio	Fidelity Management & Research Company
Fidelity VIP FundsManager 50% Portfolio	FMR Co., Inc.
Fidelity VIP FundsManager 60% Portfolio	FMR Co., Inc.
Fidelity VIP Mid Cap Portfolio	Fidelity Management & Research Company
Fidelity VIP Strategic Income Portfolio	Fidelity Management & Research Company
Franklin Allocation VIP Fund *	Franklin Templeton Services, LLC
Franklin Income VIP Fund *	Franklin Advisers, Inc.
Franklin Mutual Shares VIP Fund *	Franklin Mutual Advisers, LLC
Franklin Rising Dividends VIP Fund *	Franklin Advisers, Inc.
Franklin Strategic Income VIP Fund *	Franklin Advisers, Inc.
Franklin U.S. Government Securities VIP Fund *	Franklin Advisers, Inc.
Invesco Oppenheimer V.I. Global Strategic Income Fund	Invesco Advisors, Inc.
Invesco Oppenheimer V.I. International Growth Fund *	Invesco Advisors, Inc.

**ALLIANZ LIFE VARIABLE ACCOUNT B  
OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Notes to the Financial Statements  
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Fund	Investment Adviser
Invesco V.I. American Value Fund *	Invesco Advisors, Inc.
Invesco V.I. Balanced-Risk Allocation Fund *	Invesco Advisors, Inc.
Ivy VIP Asset Strategy Portfolio *	Ivy Investment Management Company
Ivy VIP Energy Portfolio *	Ivy Investment Management Company
Ivy VIP Growth Portfolio *	Ivy Investment Management Company
Ivy VIP Mid Cap Growth Portfolio *	Ivy Investment Management Company
Ivy VIP Natural Resources Portfolio *	Ivy Investment Management Company
Ivy VIP Science and Technology Portfolio *	Ivy Investment Management Company
JPMorgan Insurance Trust Core Bond Portfolio	J.P. Morgan Investment Management, Inc.
Lazard Retirement International Equity Portfolio *	Lazard Asset Management, LLC
Lazard Retirement U.S. Small-Mid Cap Equity Portfolio*	Lazard Asset Management, LLC
MFS International Intrinsic Value Portfolio *	Massachusetts Financial Services Company
MFS VIT Total Return Bond Portfolio *	Massachusetts Financial Services Company
MFS VIT Utilities Portfolio *	Massachusetts Financial Services Company
PIMCO VIT All Asset Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT Balanced Allocation Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT CommodityRealReturn Strategy Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT Dynamic Bond Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT Emerging Markets Bond Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT Global Bond Opportunities Portfolio (Unhedged) †	Pacific Investment Management Company, LLC
PIMCO VIT Global Core Bond (Hedged) Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT Global Managed Asset Allocation Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT High Yield Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT Long-Term U.S. Government Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT Low Duration Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT Real Return Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT StocksPLUS Global Portfolio †	Pacific Investment Management Company, LLC
PIMCO VIT Total Return Portfolio †	Pacific Investment Management Company, LLC
QS Legg Mason Dynamic Multi-Strategy VIT Portfolio	Legg Mason Partners Fund Advisor, LLC
T. Rowe Price Blue Chip Growth Portfolio *	T. Rowe Price Associates, Inc.
T. Rowe Price Equity Income Portfolio *	T. Rowe Price Associates, Inc.
T. Rowe Price Health Sciences Portfolio *	T. Rowe Price Associates, Inc.
Templeton Global Bond VIP Fund *	Franklin Advisors, Inc.
Templeton Growth VIP Fund *	Templeton Global Advisors Limited

\* Fund contains share classes which assess 12b-1 fees.

† The investment adviser of this fund is an affiliate of Allianz Life and is paid an investment management fee by the fund.



**ALLIANZ LIFE VARIABLE ACCOUNT B  
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Notes to the Financial Statements  
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During the year ended December 31, 2019, the funds listed below changed their name. There were no name changes in 2020.

Prior Fund Name	Current Fund Name	Effective Date
Franklin Founding Funds Allocation VIP Fund	Franklin Allocation VIP Fund	May 1, 2019
Oppenheimer Global Strategic Income Fund/VA	Invesco Oppenheimer V.I. Global Strategic Income Fund	May 24, 2019
Oppenheimer International Growth Fund/VA	Invesco Oppenheimer V.I. International Growth Fund	May 24, 2019
MFS VIT II International Value Portfolio	MFS International Intrinsic Value Portfolio	June 1, 2019
Dreyfus VIF Appreciation Portfolio	BNY Mellon VIF Appreciation Portfolio	June 3, 2019
PIMCO VIT Global Multi-Asset Managed Allocation Portfolio	PIMCO VIT Global Managed Asset Allocation Portfolio	October 1, 2019
AZL MVP BlackRock Global Strategy Plus Fund	AZL MVP Global Balanced Index Strategy Fund	November 18, 2019

During the years ended December 31, 2020 and 2019, the following funds were closed to new money:

Fund	Date Closed
Oppenheimer Global Multi-Alternatives Fund/VA	April 29, 2019
RCM Dynamic Multi-Asset Plus VIT Fund	April 24, 2020
AZL Morgan Stanley Global Real Estate Fund Class 1	August 21, 2020
AZL Morgan Stanley Global Real Estate Fund Class 2	August 21, 2020

During the years ended December 31, 2020 and 2019, no funds were added as available options.

During the years ended December 31, 2020 and 2019, the following funds were merged or replaced:

Closed Fund	Receiving Fund	Date Merged
Oppenheimer Global Multi-Alternatives Fund/VA	AZL Government Money Market Fund	April 29, 2019
RCM Dynamic Multi-Asset Plus VIT Fund	AZL MVP Moderate Index Strategy Fund	April 24, 2020
AZL Morgan Stanley Global Real Estate Fund Class 1	AZL S&P 500 Index Fund	August 21, 2020
AZL Morgan Stanley Global Real Estate Fund Class 2	AZL S&P 500 Index Fund	August 21, 2020

Effective December 4, 2020, a One-for-Two Reverse Split occurred for the Lazard Retirement U.S. Small-Mid Cap Equity Portfolio. The effect of this transaction was to divide the number of outstanding shares of the fund by the split ratio, resulting in a corresponding increase in the net asset value per share. The shares presented in the Statements of Assets and Liabilities reflect this reverse split. There were no changes in the net assets, results of operations or total return as a result of this transaction.

# ALLIANZ LIFE VARIABLE ACCOUNT B OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Notes to the Financial Statements  
December 31, 2020

## (2) Significant Accounting Policies

### Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Investments

Investment transactions are recorded by the Variable Account on the trade date. Investments of the Variable Account are valued each day the markets are open at fair value using net asset values provided by the investment advisers of the funds after the 4 PM Eastern Standard Time market close.

The Fair Value Measurement Topic of the FASB ASC establishes a fair value hierarchy that prioritizes the inputs used in the valuation techniques to measure fair value.

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that the Variable Account has the ability to access at the measurement date.
- Level 2 – Valuations derived from techniques that utilize observable inputs, other than quoted prices included in Level 1, which are observable for the asset or liability either directly or indirectly, such as:
  - (a) Quoted prices for similar assets or liabilities in active markets.
  - (b) Quoted prices for identical or similar assets or liabilities in markets that are not active.
  - (c) Inputs other than quoted prices that are observable.
  - (d) Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Valuations derived from techniques in which the significant inputs are unobservable. Level 3 fair values reflect the Variable Account's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. As of December 31, 2020, all of the Variable Account's investments are in funds for which quoted prices are available in an active market which the Variable Account has the ability to access. Therefore, all investments have been categorized as Level 1. The characterization of the underlying securities held by the funds are accounted for on a trade-date basis and are in accordance with the Fair Value Measurements and Disclosures topic of the FASB ASC, which differs from the characterization of an investment in the fund.

Realized gains on investments include realized gain distributions received from the respective funds and gains on the sale of fund shares as determined by the average cost method. Realized gain distributions are reinvested in the respective funds. Dividend distributions received from the funds are reinvested in additional shares of the funds and are recorded as income to the Variable Account on the ex-dividend date.

The cost of investments sold and the corresponding capital gains and losses are determined on a specific identification basis. Net investment income (loss) and net realized gains (losses) and unrealized appreciation (depreciation) on investments are allocated to the contracts on each valuation date based on each contract's pro rata share of the assets of the fund as of the beginning of the valuation date.

Transfers between subaccounts, including the fixed account (net), include transfers of all or part of the contractholders' interest to or from another eligible subaccount, or from or to the fixed account option of the general account of the Company.

### Contracts in Annuity Payment Period

Annuity reserves are computed for currently payable contracts according to the 1983 and 2000 Individual Annuity Mortality Tables using an assumed investment return (AIR) equal to the AIR of the specific contracts, either 3%, 5% or 7%. Charges to annuity reserves for mortality and risk expense are reimbursed to Allianz Life if the reserves required are less than originally estimated. If additional reserves are required, Allianz Life reimburses the Variable Account.

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### (3) Related Party Charges, Expenses and Fees

Under the terms of the contracts, certain charges, expenses and fees are incurred by the contractholders to cover Allianz Life's expenses in connection with the issuance and administration of the contracts. Following is a summary of these charges, expenses and fees for the period ended December 31, 2020:

#### Mortality and Expense Risk Charges

Allianz Life assumes mortality and expense risks related to the operations of the Variable Account. These charges range from 0.30% to 3.40% annually during the accumulation phase, or from 1.00% to 2.20% annually during the annuity phase for variable annuity payments. These charges are deducted on a daily basis and assessed against the daily net asset value of each fund. These charges are assessed either through a reduction in subaccount accumulation unit values during the accumulation phase, or a reduction in subaccount annuity unit values during the annuity phase for contractholders that selected variable annuity payments.

#### Administrative Charges

A charge to cover administrative expenses of the Variable Account may be deducted from the Variable Account, depending on the contract. This annual charge of 0.15% is calculated and assessed daily as a percentage of each fund's net asset value. This charge is assessed through a reduction in subaccount accumulation unit values during the accumulation phase, or a reduction in subaccount annuity unit values during the annuity phase for contractholders that selected variable annuity payments.

#### Contract Maintenance Charges

For certain contracts, an annual contract maintenance charge of \$30 to \$50 may be deducted to cover ongoing administrative expenses. These charges are assessed through the redemption of subaccount accumulation units during the accumulation phase, or a redemption in subaccount annuity unit values during the annuity phase if variable annuity payments are selected or a reduction in fixed annuity payments.

#### Withdrawal Charges

For certain contracts, a withdrawal charge (sometimes called a contingent deferred sales charge) is imposed as a percentage, with a range of 1.0% to 8.5%, of each purchase payment if the contract is surrendered or a partial withdrawal is taken during the withdrawal charge period. For certain contracts, a commutation fee or withdrawal charge may also apply during the annuity phase if there are liquidations of variable annuity payments under certain annuity options. These commutation and withdrawal charges are imposed as a percentage, with a range of 1.0% to 8.0% of the amount liquidated. These charges are assessed through the redemption of subaccount accumulation units during the accumulation phase, or a redemption in subaccount annuity units during the annuity phase.

#### Rider Charges and Fees

For certain contracts, optional benefit riders may be available for an additional charge to the contractholder. The rider charges for Investment Protector, Income Protector and Income Focus are deducted from the contract value. The Maximum Anniversary Value Death Benefit and Income Benefit rider fees are calculated as a percentage of the contract value as of the prior quarterly contract anniversary adjusted for subsequent purchase payments and withdrawals, and are deducted from the contract value. These charges and fees include:

- Investment Protector: 1.05% to 1.35%
- Income Protector: 1.00% to 1.75%
- Income Focus: 1.30%
- Maximum Anniversary Value Death Benefit: 0.20%
- Income Benefit: 0.70%

#### Transfer Fee

A charge for transfers between funds may be imposed at a rate of up to \$25 per transfer. These charges are deducted from the contract value.

#### Other Contract Charges

For certain contracts there are additional fees, as described below.

- **Account Fee** - ranges from 0.80% to 1.15% and are imposed as a percentage of the account's guaranteed value and are assessed through the redemption of subaccount accumulation units during the accumulation phase.
- **Product Fee** - ranges from 0.25% to 1.25% annually and are accrued on a daily basis as a percentage of the prior quarterly contract anniversary contract value adjusted for subsequent purchase payments and withdrawals. The fee is deducted from the contract value during the accumulation phase through the redemption of accumulation units.
- **Increased Annuity Payment Benefit charge** - ranges from \$0.95 to \$9.97 per \$100 of the basic annuity payment, depending on the annuitant's age and gender. The charge is assessed by a reduction in the annuity payments during the annuity phase.

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- **Guaranteed Value Protection Benefits charge** will not be more than 5% of the contract anniversary value and assessed through the redemption of subaccount accumulation units during the accumulation phase.

Additional details on charges and fees can be found in the respective product prospectus.

#### (4) Federal Income Taxes

Operations of the Variable Account form a part of Allianz Life, which is taxed as a life insurance company under the Internal Revenue Code (the Code). Under current law, no federal income taxes are payable with respect to the Variable Account. Under the principles set forth in Internal Revenue Service Ruling 81-225 and Section 817(h) of the Code and regulations thereunder, Allianz Life understands that it will be treated as owner of the assets invested in the Variable Account for federal income tax purposes, with the result that earnings and gains, if any, derived from those assets will not be included in an annuitant's gross income until amounts are received pursuant to an annuity.

#### (5) Purchases and Sales of Investments (In thousands)

The cost of purchases and proceeds from sales of investments for the year or period ended December 31, 2020, are as follows:

	<u>Cost of Purchases</u>	<u>Proceeds from Sales</u>
AZL Balanced Index Strategy Fund	\$ 56,268	\$ 60,714
AZL DFA Five-Year Global Fixed Income Fund	8,536	7,034
AZL DFA Multi-Strategy Fund	98,659	147,661
AZL Enhanced Bond Index Fund	11,463	13,562
AZL Fidelity Institutional Asset Management Multi-Strategy Fund	40,034	50,186
AZL Fidelity Institutional Asset Management Total Bond Fund Class 1	1,688	2,883
AZL Fidelity Institutional Asset Management Total Bond Fund Class 2	40,027	52,420
AZL Gateway Fund	14,384	19,300
AZL Government Money Market Fund	1,051,211	932,553
AZL International Index Fund Class 1	5,093	11,855
AZL International Index Fund Class 2	58,384	102,553
AZL MetWest Total Return Bond Fund	22,670	17,115
AZL Mid Cap Index Fund Class 1	5,001	4,466
AZL Mid Cap Index Fund Class 2	58,649	124,231
AZL Moderate Index Strategy Fund	71,701	107,808
AZL Morgan Stanley Global Real Estate Fund Class 1	949	14,449
AZL Morgan Stanley Global Real Estate Fund Class 2	13,560	72,707
AZL MSCI Emerging Markets Equity Index Class 1	1,118	2,576
AZL MSCI Emerging Markets Equity Index Class 2	17,718	27,501
AZL MSCI Global Equity Index Fund	1,152	2,543
AZL MVP Balanced Index Strategy Fund	34,753	47,605
AZL MVP DFA Multi-Strategy Fund	11,451	13,507
AZL MVP Fidelity Institutional Asset Management Multi-Strategy Fund	13,083	31,376
AZL MVP Fusion Dynamic Balanced Fund	74,733	145,654
AZL MVP Fusion Dynamic Conservative Fund	36,345	46,239
AZL MVP Fusion Dynamic Moderate Fund	161,306	256,053
AZL MVP Global Balanced Index Strategy Fund	76,910	89,511
AZL MVP Growth Index Strategy Fund	254,793	354,104
AZL MVP Moderate Index Strategy Fund	49,773	60,609

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	Cost of Purchases	Proceeds from Sales
AZL MVP T. Rowe Price Capital Appreciation Plus Fund	\$ 142,375	\$ 122,577
AZL Russell 1000 Growth Index Fund Class 1	5,183	7,333
AZL Russell 1000 Growth Index Fund Class 2	73,028	183,363
AZL Russell 1000 Value Index Fund Class 1	12,482	19,197
AZL Russell 1000 Value Index Fund Class 2	66,212	98,463
AZL S&P 500 Index Fund	199,242	238,946
AZL Small Cap Stock Index Fund Class 1	3,454	4,969
AZL Small Cap Stock Index Fund Class 2	78,948	110,843
AZL T. Rowe Price Capital Appreciation Fund	158,790	168,430
BlackRock Equity Dividend V.I. Fund	801	1,094
BlackRock Global Allocation V.I. Fund	96,651	218,594
BNY Mellon VIF Appreciation Portfolio	5	—
ClearBridge Variable Aggressive Growth Portfolio	133	108
Columbia Variable Portfolio – Seligman Global Technology Fund	87	167
Davis VA Financial Portfolio	8,569	10,377
Davis VA Real Estate Portfolio	5	40
Eaton Vance VT Floating-Rate Income Fund	82	629
Fidelity VIP Emerging Markets Portfolio	2,625	3,790
Fidelity VIP FundsManager 50% Portfolio	940	4,043
Fidelity VIP FundsManager 60% Portfolio	9,852	19,135
Fidelity VIP Mid Cap Portfolio	62	31
Fidelity VIP Strategic Income Portfolio	472	248
Franklin Allocation VIP Fund	31,468	19,539
Franklin Income VIP Fund	109,678	179,400
Franklin Mutual Shares VIP Fund	59,560	82,771
Franklin Rising Dividends VIP Fund	22,901	39,609
Franklin Strategic Income VIP Fund	43	55
Franklin U.S. Government Securities VIP Fund	21,280	42,578
Invesco Oppenheimer V.I. Global Strategic Income Fund	554	623
Invesco Oppenheimer V.I. International Growth Fund	441	530
Invesco V.I. American Value Fund	33	249
Invesco V.I. Balanced-Risk Allocation Fund	54	30
Ivy VIP Asset Strategy Portfolio	33	18
Ivy VIP Energy Portfolio	1	31
Ivy VIP Growth Portfolio	79	36
Ivy VIP Mid Cap Growth Portfolio	167	217
Ivy VIP Natural Resources Portfolio	8	4
Ivy VIP Science and Technology Portfolio	219	636
JPMorgan Insurance Trust Core Bond Portfolio	7,969	5,975
Lazard Retirement International Equity Portfolio	21	7
Lazard Retirement U.S. Small-Mid Cap Equity Portfolio	2,917	5,929

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	Cost of Purchases	Proceeds from Sales
MFS International Intrinsic Value Portfolio	\$ 157	\$ 313
MFS VIT Total Return Bond Portfolio	11,147	11,339
MFS VIT Utilities Portfolio	23	318
PIMCO VIT All Asset Portfolio	27,189	52,930
PIMCO VIT Balanced Allocation Portfolio	11,461	16,467
PIMCO VIT CommodityRealReturn Strategy Portfolio	10,463	11,699
PIMCO VIT Dynamic Bond Portfolio	10,271	39,168
PIMCO VIT Emerging Markets Bond Portfolio	10,964	21,532
PIMCO VIT Global Bond Opportunities Portfolio (Unhedged)	5,886	12,832
PIMCO VIT Global Core Bond (Hedged) Portfolio	16,073	23,592
PIMCO VIT Global Managed Asset Allocation Portfolio	14,282	23,637
PIMCO VIT High Yield Portfolio	39,561	118,934
PIMCO VIT Long-Term U.S. Government Portfolio	11,004	11,986
PIMCO VIT Low Duration Portfolio	13,799	15,952
PIMCO VIT Real Return Portfolio	20,408	68,790
PIMCO VIT StocksPLUS Global Portfolio	43,706	58,699
PIMCO VIT Total Return Portfolio	137,162	213,841
QS Legg Mason Dynamic Multi-Strategy VIT Portfolio	48	201
RCM Dynamic Multi-Asset Plus VIT Portfolio	1,244	18,756
T. Rowe Price Blue Chip Growth Portfolio	1,567	3,749
T. Rowe Price Equity Income Portfolio	237	559
T. Rowe Price Health Sciences Portfolio	101	481
Templeton Global Bond VIP Fund	80,894	104,110
Templeton Growth VIP Fund	32,861	60,629

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## (6) Financial Highlights

A summary of units outstanding (in thousands), unit values, net assets (in thousands), ratios, and total returns for variable annuity contracts is as follows:

	At December 31			For the years or periods ended December 31					
	Units Outstanding ****	Unit Fair Value lowest to highest	Net Assets ****	Investment Income Ratio*	Expense Ratio lowest to highest**	Total Return lowest to highest***			
<b>AZL Balanced Index Strategy Fund</b>									
2020	21,475	\$ 15.58 to \$ 19.83	\$ 388,701	1.98 %	1.00 % to 3.40 %	8.54 % to 10.97 %			
2019	22,526	\$ 14.35 to \$ 17.87	\$ 370,836	2.26 %	1.00 % to 3.40 %	13.38 % to 15.91 %			
2018	25,146	\$ 12.65 to \$ 15.42	\$ 360,374	0.93 %	1.00 % to 3.40 %	(7.53)% to (5.46)%			
2017	27,352	\$ 13.67 to \$ 16.31	\$ 418,424	2.22 %	1.00 % to 3.40 %	7.84 % to 10.24 %			
2016	29,183	\$ 12.67 to \$ 14.79	\$ 408,248	2.70 %	1.00 % to 3.40 %	3.24 % to 5.54 %			
<b>AZL DFA Five-Year Global Fixed Income Fund</b>									
2020	1,630	\$ 9.15 to \$ 10.79	\$ 15,880	2.49 %	— % to 3.40 %	(2.31)% to 0.57 %			
2019	1,487	\$ 9.36 to \$ 10.73	\$ 14,680	5.90 %	— % to 3.40 %	0.54 % to 3.50 %			
2018	1,360	\$ 9.30 to \$ 10.25	\$ 13,192	0.70 %	— % to 3.40 %	(1.79)% to 0.86 %			
2017 <sup>3</sup>	351	\$ 9.50 to \$ 9.93	\$ 3,447	— %	— % to 3.40 %	(0.96)% to (0.63)%			
<b>AZL DFA Multi-Strategy Fund</b>									
2020	42,292	\$ 17.17 to \$ 21.86	\$ 852,984	3.12 %	1.00 % to 3.40 %	6.99 % to 9.38 %			
2019	48,075	\$ 16.04 to \$ 19.99	\$ 892,959	1.05 %	1.00 % to 3.40 %	12.73 % to 15.25 %			
2018	54,537	\$ 14.22 to \$ 17.34	\$ 885,699	1.16 %	1.00 % to 3.40 %	(9.02)% to (6.98)%			
2017	62,328	\$ 15.63 to \$ 18.64	\$ 1,097,107	0.76 %	1.00 % to 3.40 %	8.99 % to 11.41 %			
2016	68,080	\$ 14.33 to \$ 16.78	\$ 1,083,839	— %	1.00 % to 3.40 %	5.72 % to 8.08 %			
<b>AZL Enhanced Bond Index Fund</b>									
2020	2,067	\$ 11.85 to \$ 13.07	\$ 26,081	2.36 %	1.15 % to 2.05 %	5.40 % to 6.31 %			
2019	2,250	\$ 11.25 to \$ 12.30	\$ 26,772	2.59 %	1.15 % to 2.05 %	6.23 % to 7.15 %			
2018	2,156	\$ 10.59 to \$ 11.48	\$ 24,013	2.16 %	1.15 % to 2.05 %	(2.56)% to (1.72)%			
2017	1,986	\$ 10.86 to \$ 11.68	\$ 22,581	0.87 %	1.15 % to 2.05 %	0.97 % to 1.84 %			
2016	2,189	\$ 10.72 to \$ 11.47	\$ 24,543	2.23 %	1.15 % to 2.05 %	0.21 % to 1.12 %			
<b>AZL Fidelity Institutional Asset Management Multi-Strategy Fund</b>									
2020	15,871	\$ 15.45 to \$ 24.32	\$ 290,007	2.49 %	0.30 % to 3.40 %	9.72 % to 13.13 %			
2019	17,127	\$ 14.07 to \$ 22.13	\$ 281,339	2.37 %	0.30 % to 3.40 %	13.41 % to 16.92 %			
2018	19,593	\$ 12.40 to \$ 19.48	\$ 279,543	2.24 %	0.30 % to 3.40 %	(5.22)% to (2.32)%			
2017	22,719	\$ 13.08 to \$ 20.54	\$ 337,012	— %	0.30 % to 3.40 %	7.52 % to 10.78 %			
2016	26,102	\$ 12.17 to \$ 19.08	\$ 354,464	1.44 %	0.30 % to 3.40 %	3.06 % to 6.20 %			
<b>AZL Fidelity Institutional Asset Management Total Bond Fund Class 1</b>									
2020	1,976	\$ 11.12 to \$ 11.50	\$ 20,327	3.63 %	1.40 % to 2.20 %	6.74 % to 7.60 %			
2019	2,148	\$ 10.42 to \$ 10.69	\$ 20,543	3.36 %	1.40 % to 2.20 %	8.16 % to 9.03 %			
2018	2,200	\$ 9.63 to \$ 9.80	\$ 19,278	3.14 %	1.40 % to 2.20 %	(3.17)% to (2.39)%			
2017	2,396	\$ 9.95 to \$ 10.04	\$ 21,481	2.45 %	1.40 % to 2.20 %	2.28 % to 3.10 %			
2016 <sup>1</sup>	2,654	\$ 9.72 to \$ 9.74	\$ 23,265	— %	1.40 % to 2.20 %	(2.76)% to (2.59)%			
<b>AZL Fidelity Institutional Asset Management Total Bond Fund Class 2</b>									
2020	13,699	\$ 10.14 to \$ 13.41	\$ 157,259	3.24 %	— % to 3.40 %	5.25 % to 8.84 %			
2019	15,038	\$ 9.63 to \$ 12.32	\$ 161,773	2.94 %	— % to 3.40 %	6.65 % to 10.28 %			
2018	16,774	\$ 9.03 to \$ 11.17	\$ 166,707	2.77 %	— % to 3.40 %	(4.53)% to (1.25)%			
2017	18,913	\$ 9.49 to \$ 11.32	\$ 193,945	2.32 %	— % to 3.40 %	0.90 % to 4.27 %			
2016	21,214	\$ 9.38 to \$ 10.85	\$ 212,292	2.20 %	— % to 3.40 %	(3.08)% to 5.19 %			

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	Units Outstanding****	Unit Fair Value	lowest to highest	Net Assets****	Investment Income Ratio*	Expense Ratio lowest to highest**		Total Return lowest to highest***		
<b>AZL Gateway Fund</b>										
2020	5,110	\$ 11.47	to \$ 16.24	\$ 68,305	1.06 %	— %	to 3.40 %	3.81 %	to 7.30 %	
2019	5,468	\$ 11.16	to \$ 15.13	\$ 69,198	0.97 %	— %	to 3.40 %	7.23 %	to 10.82 %	
2018	5,770	\$ 10.39	to \$ 13.65	\$ 67,026	1.23 %	— %	to 3.40 %	(7.76)%	to (4.65)%	
2017	6,358	\$ 11.20	to \$ 14.32	\$ 79,227	0.99 %	— %	to 3.40 %	6.02 %	to 9.46 %	
2016	7,150	\$ 10.60	to \$ 13.08	\$ 82,553	1.94 %	— %	to 3.40 %	1.59 %	to 4.84 %	
<b>AZL Government Money Market Fund</b>										
2020	57,985	\$ 6.43	to \$ 13.10	\$ 585,305	0.18 %	— %	to 3.40 %	(3.11)%	to 0.21 %	
2019	47,890	\$ 6.63	to \$ 13.07	\$ 466,646	1.37 %	— %	to 3.40 %	(1.90)%	to 1.39 %	
2018	46,559	\$ 6.76	to \$ 12.89	\$ 430,314	1.00 %	— %	to 3.40 %	(2.28)%	to 1.01 %	
2017	50,262	\$ 6.91	to \$ 12.76	\$ 463,873	0.04 %	— %	to 3.40 %	(3.19)%	to 0.05 %	
2016	65,690	\$ 7.42	to \$ 12.76	\$ 618,130	— %	— %	to 3.40 %	(3.14)%	to 0.01 %	
<b>AZL International Index Fund Class 1</b>										
2020	7,160	\$ 12.69	to \$ 13.55	\$ 95,192	5.00 %	1.15 %	to 2.70 %	4.79 %	to 6.43 %	
2019	8,028	\$ 12.11	to \$ 12.73	\$ 100,779	3.66 %	1.15 %	to 2.70 %	18.43 %	to 20.28 %	
2018	8,927	\$ 10.23	to \$ 10.59	\$ 93,602	3.99 %	1.15 %	to 2.70 %	(16.11)%	to (14.79)%	
2017	10,154	\$ 12.19	to \$ 12.43	\$ 125,461	1.31 %	1.15 %	to 2.70 %	21.80 %	to 23.69 %	
2016 <sup>1</sup>	11,655	\$ 10.01	to \$ 10.04	\$ 117,030	— %	1.15 %	to 2.70 %	0.12 %	to 0.45 %	
<b>AZL International Index Fund Class 2</b>										
2020	31,392	\$ 11.76	to \$ 19.74	\$ 410,582	3.13 %	— %	to 3.40 %	3.85 %	to 7.40 %	
2019	35,569	\$ 11.31	to \$ 18.59	\$ 442,769	2.26 %	— %	to 3.40 %	17.44 %	to 21.44 %	
2018	40,672	\$ 9.63	to \$ 15.49	\$ 426,442	2.60 %	— %	to 3.40 %	(16.89)%	to (14.04)%	
2017	46,614	\$ 11.58	to \$ 18.23	\$ 581,653	0.90 %	— %	to 3.40 %	20.67 %	to 24.77 %	
2016	52,352	\$ 9.59	to \$ 14.78	\$ 535,611	1.18 %	— %	to 3.40 %	(2.99)%	to 0.54 %	
<b>AZL MetWest Total Return Bond Fund</b>										
2020	3,083	\$ 11.03	to \$ 11.62	\$ 35,007	2.72 %	1.15 %	to 2.05 %	6.42 %	to 7.34 %	
2019	2,669	\$ 10.36	to \$ 10.83	\$ 28,365	2.53 %	1.15 %	to 2.05 %	6.34 %	to 7.26 %	
2018	2,684	\$ 9.74	to \$ 10.09	\$ 26,688	1.96 %	1.15 %	to 2.05 %	(2.20)%	to (1.35)%	
2017	2,452	\$ 9.96	to \$ 10.23	\$ 24,822	1.58 %	1.15 %	to 2.05 %	1.10 %	to 1.97 %	
2016	2,313	\$ 9.84	to \$ 10.03	\$ 23,040	1.26 %	1.15 %	to 2.05 %	0.23 %	to 1.14 %	
<b>AZL Mid Cap Index Fund Class 1</b>										
2020	3,835	\$ 14.78	to \$ 15.32	\$ 47,856	3.95 %	1.15 %	to 2.55 %	12.31 %	to 13.28 %	
2019	4,205	\$ 13.16	to \$ 13.53	\$ 46,374	3.04 %	1.15 %	to 2.55 %	22.74 %	to 23.79 %	
2018	4,621	\$ 10.72	to \$ 10.98	\$ 41,617	2.38 %	1.15 %	to 2.55 %	(12.95)%	to (12.03)%	
2017	5,029	\$ 12.32	to \$ 12.48	\$ 51,831	1.00 %	1.15 %	to 2.55 %	13.56 %	to 14.76 %	
2016 <sup>1</sup>	5,539	\$ 10.85	to \$ 10.87	\$ 50,249	— %	1.15 %	to 2.55 %	8.49 %	to 8.73 %	
<b>AZL Mid Cap Index Fund Class 2</b>										
2020	16,929	\$ 21.89	to \$ 39.34	\$ 416,121	1.17 %	— %	to 3.40 %	10.75 %	to 14.53 %	
2019	20,304	\$ 19.72	to \$ 34.75	\$ 446,410	1.03 %	— %	to 3.40 %	21.15 %	to 25.28 %	
2018	23,184	\$ 16.25	to \$ 28.06	\$ 415,541	0.88 %	— %	to 3.40 %	(14.28)%	to (11.35)%	
2017	27,603	\$ 18.92	to \$ 32.02	\$ 569,909	0.46 %	— %	to 3.40 %	12.05 %	to 15.85 %	
2016	31,869	\$ 16.85	to \$ 27.96	\$ 579,168	0.66 %	— %	to 3.40 %	8.37 %	to 19.52 %	
<b>AZL Moderate Index Strategy Fund</b>										
2020	25,225	\$ 18.51	to \$ 30.53	\$ 576,533	1.97 %	0.30 %	to 3.40 %	9.11 %	to 12.50 %	
2019	27,963	\$ 16.96	to \$ 27.14	\$ 578,003	2.34 %	0.30 %	to 3.40 %	15.39 %	to 18.97 %	



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	Units Outstanding ****	Unit Fair Value	lowest to highest	Net Assets ****	Investment Income Ratio*	Expense Ratio lowest to highest**		Total Return lowest to highest***		
2018	31,485	\$ 14.69	to \$ 22.81	\$ 557,352	0.96 %	0.30 %	to 3.40 %	(8.31)%	to (5.46)%	
2017	36,691	\$ 16.01	to \$ 24.13	\$ 699,846	2.10 %	0.30 %	to 3.40 %	9.58 %	to 12.96 %	
2016	39,563	\$ 14.61	to \$ 21.36	\$ 679,183	1.89 %	0.30 %	to 3.40 %	5.27 %	to 8.58 %	
AZL MSCI Emerging Markets Equity Index Class 1										
2020	1,380	\$ 13.79	to \$ 15.38	\$ 16,447	3.65 %	1.40 %	to 2.20 %	14.70 %	to 15.63 %	
2019	1,622	\$ 12.02	to \$ 13.30	\$ 16,781	1.92 %	1.40 %	to 2.20 %	14.99 %	to 15.92 %	
2018	1,795	\$ 10.45	to \$ 11.48	\$ 16,002	1.89 %	1.40 %	to 2.20 %	(17.16)%	to (16.49)%	
2017	1,986	\$ 12.62	to \$ 13.74	\$ 21,422	0.55 %	1.40 %	to 2.20 %	34.00 %	to 35.07 %	
2016	2,210	\$ 9.42	to \$ 10.17	\$ 17,737	0.89 %	1.40 %	to 2.20 %	7.81 %	to 8.68 %	
AZL MSCI Emerging Markets Equity Index Class 2										
2020	7,801	\$ 11.05	to \$ 18.01	\$ 102,936	3.35 %	— %	to 3.40 %	13.05 %	to 16.92 %	
2019	9,099	\$ 9.71	to \$ 15.41	\$ 105,083	1.64 %	— %	to 3.40 %	13.32 %	to 17.18 %	
2018	10,178	\$ 8.51	to \$ 13.15	\$ 102,415	1.63 %	— %	to 3.40 %	(18.26)%	to (15.46)%	
2017	11,659	\$ 10.34	to \$ 15.55	\$ 142,017	0.40 %	— %	to 3.40 %	32.14 %	to 36.63 %	
2016	12,851	\$ 7.78	to \$ 11.38	\$ 116,793	0.59 %	— %	to 3.40 %	6.32 %	to 9.89 %	
AZL MSCI Global Equity Index Fund										
2020	216	\$ 19.13	to \$ 23.49	\$ 4,531	0.80 %	0.30 %	to 2.05 %	13.07 %	to 15.01 %	
2019	296	\$ 16.92	to \$ 20.42	\$ 5,452	1.48 %	0.30 %	to 2.05 %	24.73 %	to 26.87 %	
2018	437	\$ 13.57	to \$ 16.10	\$ 6,337	2.12 %	0.30 %	to 2.05 %	(10.75)%	to (9.21)%	
2017	420	\$ 15.20	to \$ 17.73	\$ 6,770	2.14 %	0.30 %	to 2.05 %	19.77 %	to 21.81 %	
2016	163	\$ 12.69	to \$ 14.56	\$ 2,190	2.77 %	0.30 %	to 2.05 %	(2.89)%	to (1.23)%	
AZL MVP Balanced Index Strategy Fund										
2020	17,451	\$ 13.64	to \$ 18.18	\$ 278,234	1.98 %	— %	to 3.40 %	2.63 %	to 5.98 %	
2019	18,953	\$ 13.29	to \$ 17.15	\$ 289,123	2.08 %	— %	to 3.40 %	13.23 %	to 16.92 %	
2018	19,962	\$ 11.73	to \$ 14.67	\$ 264,376	0.81 %	— %	to 3.40 %	(7.47)%	to (4.44)%	
2017	20,095	\$ 12.68	to \$ 15.35	\$ 282,458	1.87 %	— %	to 3.40 %	5.35 %	to 11.40 %	
2016	21,128	\$ 11.67	to \$ 13.78	\$ 270,065	2.20 %	— %	to 3.40 %	3.10 %	to 6.61 %	
AZL MVP DFA Multi-Strategy Fund										
2020	6,703	\$ 11.69	to \$ 12.31	\$ 81,082	2.93 %	1.15 %	to 2.05 %	1.66 %	to 2.59 %	
2019	7,288	\$ 11.50	to \$ 12.00	\$ 86,188	0.93 %	1.15 %	to 2.05 %	13.46 %	to 14.49 %	
2018	7,624	\$ 10.14	to \$ 10.48	\$ 79,000	0.77 %	1.15 %	to 2.05 %	(8.14)%	to (7.30)%	
2017	6,487	\$ 11.04	to \$ 11.31	\$ 72,747	0.42 %	1.15 %	to 2.05 %	10.27 %	to 11.27 %	
2016	4,940	\$ 10.01	to \$ 10.16	\$ 49,944	— %	1.15 %	to 2.05 %	6.84 %	to 7.81 %	
AZL MVP Fidelity Institutional Asset Management Multi-Strategy Fund										
2020	15,271	\$ 13.85	to \$ 14.92	\$ 221,761	2.69 %	1.15 %	to 2.05 %	5.04 %	to 5.94 %	
2019	16,844	\$ 13.18	to \$ 14.08	\$ 231,613	3.95 %	1.15 %	to 2.05 %	13.94 %	to 14.92 %	
2018	18,055	\$ 11.57	to \$ 12.25	\$ 216,696	3.27 %	1.15 %	to 2.05 %	(4.08)%	to (3.25)%	
2017	19,489	\$ 12.06	to \$ 12.66	\$ 242,510	1.32 %	1.15 %	to 2.05 %	8.74 %	to 9.67 %	
2016	22,392	\$ 11.09	to \$ 11.55	\$ 254,860	3.98 %	1.15 %	to 2.05 %	(1.18)%	to (0.33)%	
AZL MVP Fusion Dynamic Balanced Fund										
2020	45,695	\$ 13.08	to \$ 20.94	\$ 751,880	2.39 %	0.30 %	to 3.40 %	0.36 %	to 3.47 %	
2019	52,096	\$ 13.03	to \$ 20.24	\$ 841,576	2.50 %	0.30 %	to 3.40 %	11.95 %	to 15.41 %	
2018	58,795	\$ 11.63	to \$ 17.53	\$ 836,480	1.22 %	0.30 %	to 3.40 %	(8.53)%	to (5.69)%	
2017	65,536	\$ 12.71	to \$ 18.59	\$ 1,004,139	1.67 %	0.30 %	to 3.40 %	8.54 %	to 11.89 %	
2016	72,168	\$ 11.70	to \$ 16.62	\$ 1,003,300	2.28 %	0.30 %	to 3.40 %	2.38 %	to 5.61 %	

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	At December 31				For the years or periods ended December 31					
	Units Outstanding ****	Unit Fair Value	lowest to highest	Net Assets ****	Investment Income Ratio*	Expense Ratio lowest to highest**		Total Return lowest to highest***		
<b>AZL MVP Fusion Dynamic Conservative Fund</b>										
2020	14,119	\$ 13.08	to \$ 18.11	\$ 218,170	2.27 %	0.30 %	to 3.40 %	1.48 %	to 4.47 %	
2019	15,217	\$ 12.89	to \$ 17.33	\$ 228,175	2.42 %	0.30 %	to 3.40 %	9.96 %	to 13.20 %	
2018	16,017	\$ 11.72	to \$ 15.31	\$ 214,900	1.34 %	0.30 %	to 3.40 %	(6.80)%	to (4.04)%	
2017	17,254	\$ 12.57	to \$ 15.96	\$ 244,361	1.80 %	0.30 %	to 3.40 %	5.87 %	to 8.98 %	
2016	19,076	\$ 11.88	to \$ 14.64	\$ 251,287	2.31 %	0.30 %	to 3.40 %	2.00 %	to 5.00 %	
<b>AZL MVP Fusion Dynamic Moderate Fund</b>										
2020	101,488	\$ 13.12	to \$ 21.00	\$ 1,688,704	2.17 %	0.30 %	to 3.40 %	1.08 %	to 4.22 %	
2019	111,981	\$ 12.97	to \$ 20.15	\$ 1,815,251	2.51 %	0.30 %	to 3.40 %	13.44 %	to 16.96 %	
2018	123,837	\$ 11.43	to \$ 17.23	\$ 1,742,029	1.12 %	0.30 %	to 3.40 %	(9.56)%	to (6.74)%	
2017	138,054	\$ 12.63	to \$ 18.48	\$ 2,113,272	1.56 %	0.30 %	to 3.40 %	10.24 %	to 13.64 %	
2016	153,140	\$ 11.45	to \$ 16.26	\$ 2,093,581	2.15 %	0.30 %	to 3.40 %	1.22 %	to 4.41 %	
<b>AZL MVP Global Balanced Index Strategy Fund</b>										
2020	43,019	\$ 13.85	to \$ 15.02	\$ 628,373	9.13 %	1.15 %	to 2.05 %	5.61 %	to 6.58 %	
2019	48,772	\$ 13.11	to \$ 14.09	\$ 670,508	1.72 %	1.15 %	to 2.05 %	13.84 %	to 14.88 %	
2018	53,792	\$ 11.52	to \$ 12.27	\$ 645,646	1.45 %	1.15 %	to 2.05 %	(7.70)%	to (6.85)%	
2017	56,999	\$ 12.48	to \$ 13.17	\$ 736,643	0.38 %	1.15 %	to 2.05 %	9.19 %	to 10.18 %	
2016	61,247	\$ 11.43	to \$ 11.95	\$ 720,554	2.65 %	1.15 %	to 2.05 %	1.33 %	to 2.26 %	
<b>AZL MVP Growth Index Strategy Fund</b>										
2020	126,639	\$ 15.33	to \$ 20.71	\$ 2,254,083	1.86 %	— %	to 3.40 %	1.27 %	to 4.73 %	
2019	138,335	\$ 15.14	to \$ 19.78	\$ 2,390,898	2.16 %	— %	to 3.40 %	16.55 %	to 20.52 %	
2018	148,195	\$ 12.99	to \$ 16.41	\$ 2,160,089	0.82 %	— %	to 3.40 %	(9.55)%	to (6.45)%	
2017	149,425	\$ 14.36	to \$ 17.54	\$ 2,365,878	1.15 %	— %	to 3.40 %	7.96 %	to 15.96 %	
2016	145,096	\$ 12.81	to \$ 15.13	\$ 2,013,691	1.98 %	— %	to 3.40 %	3.24 %	to 6.80 %	
<b>AZL MVP Moderate Index Strategy Fund</b>										
2020	26,364	\$ 16.82	to \$ 18.24	\$ 467,774	1.87 %	1.15 %	to 2.05 %	4.27 %	to 5.23 %	
2019	27,930	\$ 16.13	to \$ 17.33	\$ 472,411	2.13 %	1.15 %	to 2.05 %	16.23 %	to 17.29 %	
2018	29,910	\$ 13.87	to \$ 14.78	\$ 432,622	0.86 %	1.15 %	to 2.05 %	(7.19)%	to (6.34)%	
2017	31,560	\$ 14.95	to \$ 15.78	\$ 488,774	1.67 %	1.15 %	to 2.05 %	10.92 %	to 11.93 %	
2016	33,159	\$ 13.48	to \$ 14.10	\$ 460,143	2.21 %	1.15 %	to 2.05 %	3.30 %	to 4.24 %	
<b>AZL MVP T. Rowe Price Capital Appreciation Plus Fund</b>										
2020	72,009	\$ 15.91	to \$ 16.95	\$ 1,192,293	2.83 %	1.15 %	to 2.05 %	5.82 %	to 6.79 %	
2019	74,088	\$ 15.03	to \$ 15.87	\$ 1,152,403	1.84 %	1.15 %	to 2.05 %	18.93 %	to 20.01 %	
2018	73,504	\$ 12.64	to \$ 13.22	\$ 955,798	0.98 %	1.15 %	to 2.05 %	(3.68)%	to (2.80)%	
2017	72,712	\$ 13.12	to \$ 13.60	\$ 975,914	1.24 %	1.15 %	to 2.05 %	11.90 %	to 12.92 %	
2016	67,646	\$ 11.73	to \$ 12.05	\$ 806,706	1.56 %	1.15 %	to 2.05 %	5.44 %	to 6.40 %	
<b>AZL Russell 1000 Growth Index Fund Class 1</b>										
2020	3,828	\$ 22.38	to \$ 23.20	\$ 65,837	1.15 %	1.15 %	to 2.55 %	36.00 %	to 37.17 %	
2019	4,219	\$ 16.46	to \$ 16.91	\$ 53,537	1.39 %	1.15 %	to 2.55 %	32.58 %	to 33.71 %	
2018	4,695	\$ 12.41	to \$ 12.71	\$ 45,307	1.58 %	1.15 %	to 2.55 %	(4.01)%	to (2.99)%	
2017	5,141	\$ 12.93	to \$ 13.10	\$ 51,623	0.39 %	1.15 %	to 2.55 %	26.39 %	to 27.72 %	
2016 <sup>1</sup>	5,752	\$ 10.23	to \$ 10.25	\$ 45,595	— %	1.15 %	to 2.55 %	2.32 %	to 2.55 %	
<b>AZL Russell 1000 Growth Index Fund Class 2</b>										
2020	17,486	\$ 32.63	to \$ 52.11	\$ 670,828	0.56 %	— %	to 3.40 %	34.01 %	to 38.58 %	
2019	21,752	\$ 24.35	to \$ 37.61	\$ 617,780	0.75 %	— %	to 3.40 %	30.82 %	to 35.28 %	

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2018	25,179	\$ 18.61	to \$ 27.80	\$ 540,363	0.89 %	— %	to 3.40 %	(5.38)%	to (2.14)%	
2017	30,052	\$ 19.67	to \$ 28.41	\$ 674,397	0.26 %	— %	to 3.40 %	24.65 %	to 28.89 %	
2016	34,351	\$ 15.78	to \$ 22.04	\$ 614,437	0.12 %	— %	to 3.40 %	2.04 %	to 6.43 %	
AZL Russell 1000 Value Index Fund Class 1										
2020	11,271	\$ 12.88	to \$ 13.75	\$ 132,301	3.03 %	1.15 %	to 2.70 %	(0.48)%	to 1.08 %	
2019	12,877	\$ 12.94	to \$ 13.61	\$ 150,207	2.93 %	1.15 %	to 2.70 %	22.77 %	to 24.69 %	
2018	14,383	\$ 10.54	to \$ 10.91	\$ 135,319	2.75 %	1.15 %	to 2.70 %	(10.95)%	to (9.55)%	
2017	16,153	\$ 11.84	to \$ 12.06	\$ 169,571	0.88 %	1.15 %	to 2.70 %	10.36 %	to 12.08 %	
2016 <sup>1</sup>	18,456	\$ 10.73	to \$ 10.76	\$ 170,485	— %	1.15 %	to 2.70 %	7.28 %	to 7.64 %	
AZL Russell 1000 Value Index Fund Class 2										
2020	19,013	\$ 17.32	to \$ 28.21	\$ 383,626	1.99 %	— %	to 3.40 %	(1.36)%	to 2.01 %	
2019	21,683	\$ 17.56	to \$ 27.65	\$ 439,080	1.93 %	— %	to 3.40 %	21.72 %	to 25.86 %	
2018	24,316	\$ 14.43	to \$ 21.97	\$ 398,225	1.85 %	— %	to 3.40 %	(11.74)%	to (8.72)%	
2017	28,948	\$ 16.35	to \$ 24.07	\$ 530,578	0.66 %	— %	to 3.40 %	9.30 %	to 13.02 %	
2016	32,904	\$ 14.89	to \$ 21.30	\$ 546,356	0.19 %	— %	to 3.40 %	7.03 %	to 16.15 %	
AZL S&P 500 Index Fund										
2020	38,580	\$ 19.68	to \$ 32.04	\$ 911,458	1.68 %	— %	to 3.40 %	11.39 %	to 17.15 %	
2019	42,064	\$ 17.08	to \$ 27.35	\$ 864,709	1.52 %	0.30 %	to 3.40 %	26.58 %	to 30.50 %	
2018	48,216	\$ 13.30	to \$ 20.96	\$ 771,527	1.52 %	0.30 %	to 3.40 %	(7.99)%	to (5.13)%	
2017	57,352	\$ 14.26	to \$ 22.09	\$ 985,017	0.92 %	0.30 %	to 3.40 %	17.37 %	to 21.00 %	
2016	66,003	\$ 11.98	to \$ 18.26	\$ 952,218	1.53 %	0.30 %	to 3.40 %	4.83 %	to 11.12 %	
AZL Small Cap Stock Index Fund Class 1										
2020	3,021	\$ 14.27	to \$ 15.20	\$ 42,048	1.93 %	1.15 %	to 2.70 %	8.07 %	to 9.70 %	
2019	3,382	\$ 13.21	to \$ 13.86	\$ 43,271	1.58 %	1.15 %	to 2.70 %	19.21 %	to 21.02 %	
2018	3,788	\$ 11.08	to \$ 11.45	\$ 40,530	1.39 %	1.15 %	to 2.70 %	(10.99)%	to (9.64)%	
2017	4,369	\$ 12.45	to \$ 12.67	\$ 52,401	0.67 %	1.15 %	to 2.70 %	9.99 %	to 11.65 %	
2016 <sup>1</sup>	4,946	\$ 11.31	to \$ 11.35	\$ 53,646	— %	1.15 %	to 2.70 %	13.16 %	to 13.52 %	
AZL Small Cap Stock Index Fund Class 2										
2020	19,900	\$ 18.98	to \$ 29.82	\$ 443,512	1.12 %	— %	to 3.40 %	7.05 %	to 10.71 %	
2019	22,355	\$ 17.72	to \$ 26.93	\$ 459,446	0.92 %	— %	to 3.40 %	18.17 %	to 22.19 %	
2018	24,867	\$ 14.99	to \$ 22.04	\$ 425,568	0.85 %	— %	to 3.40 %	(11.95)%	to (8.93)%	
2017	29,215	\$ 17.02	to \$ 24.20	\$ 562,093	0.48 %	— %	to 3.40 %	9.04 %	to 12.74 %	
2016	33,643	\$ 15.60	to \$ 21.46	\$ 586,193	0.75 %	— %	to 3.40 %	13.03 %	to 25.71 %	
AZL T. Rowe Price Capital Appreciation Fund										
2020	24,624	\$ 20.61	to \$ 36.63	\$ 610,525	1.38 %	0.30 %	to 3.40 %	13.60 %	to 17.13 %	
2019	26,701	\$ 18.13	to \$ 31.28	\$ 580,071	2.08 %	0.30 %	to 3.40 %	20.28 %	to 24.01 %	
2018	28,493	\$ 15.07	to \$ 25.22	\$ 508,467	0.91 %	0.30 %	to 3.40 %	(2.95)%	to 0.07 %	
2017	31,456	\$ 15.52	to \$ 25.20	\$ 574,307	1.33 %	0.30 %	to 3.40 %	11.26 %	to 14.70 %	
2016	31,990	\$ 13.94	to \$ 21.97	\$ 524,502	0.73 %	0.30 %	to 3.40 %	4.29 %	to 7.52 %	
BlackRock Equity Dividend V.I. Fund										
2020	45	\$ 25.82	to \$ 25.82	\$ 1,170	1.92 %	0.30 %	to 0.30 %	3.26 %	to 3.26 %	
2019	58	\$ 25.00	to \$ 25.00	\$ 1,440	1.73 %	0.30 %	to 0.30 %	27.08 %	to 27.08 %	
2018	70	\$ 19.67	to \$ 19.67	\$ 1,369	1.87 %	0.30 %	to 0.30 %	(7.69)%	to (7.69)%	
2017	49	\$ 21.31	to \$ 21.31	\$ 1,044	1.51 %	0.30 %	to 0.30 %	16.14 %	to 16.14 %	
2016	64	\$ 18.35	to \$ 18.35	\$ 1,173	1.62 %	0.30 %	to 0.30 %	15.71 %	to 15.71 %	

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<b>BlackRock Global Allocation V.I. Fund</b>										
2020	70,620	\$ 13.25 to \$ 32.31	\$ 1,127,675	1.22 %	— % to 3.40 %	16.72 % to 20.71 %				
2019	83,597	\$ 11.34 to \$ 27.64	\$ 1,126,831	1.21 %	— % to 3.40 %	13.88 % to 17.75 %				
2018	97,309	\$ 9.96 to \$ 24.23	\$ 1,135,560	0.81 %	— % to 3.40 %	(10.64)% to (7.58)%				
2017	112,552	\$ 11.13 to \$ 27.08	\$ 1,448,787	1.23 %	— % to 3.40 %	9.97 % to 13.71 %				
2016	128,496	\$ 10.12 to \$ 24.59	\$ 1,481,681	1.18 %	— % to 3.40 %	0.38 % to 3.80 %				
<b>BNY Mellon VIF Appreciation Portfolio</b>										
2020	2	\$ 37.95 to \$ 37.95	\$ 62	0.55 %	0.30 % to 0.30 %	23.01 % to 23.01 %				
2019	2	\$ 30.85 to \$ 30.85	\$ 50	0.95 %	0.30 % to 0.30 %	35.37 % to 35.37 %				
2018	2	\$ 22.79 to \$ 22.79	\$ 55	0.95 %	0.30 % to 0.30 %	(7.38)% to (7.38)%				
2017	4	\$ 24.60 to \$ 24.60	\$ 91	1.09 %	0.30 % to 0.30 %	26.63 % to 26.63 %				
2016	5	\$ 19.43 to \$ 19.43	\$ 99	1.31 %	0.30 % to 0.30 %	7.31 % to 7.31 %				
<b>ClearBridge Variable Aggressive Growth Portfolio</b>										
2020	41	\$ 31.25 to \$ 31.25	\$ 1,275	0.59 %	0.30 % to 0.30 %	17.38 % to 17.38 %				
2019	44	\$ 26.62 to \$ 26.62	\$ 1,170	0.71 %	0.30 % to 0.30 %	24.37 % to 24.37 %				
2018	56	\$ 21.41 to \$ 21.41	\$ 1,200	0.38 %	0.30 % to 0.30 %	(8.84)% to (8.84)%				
2017	55	\$ 23.48 to \$ 23.48	\$ 1,282	0.24 %	0.30 % to 0.30 %	15.64 % to 15.64 %				
2016	71	\$ 20.31 to \$ 20.31	\$ 1,445	0.38 %	0.30 % to 0.30 %	0.63 % to 0.63 %				
<b>Columbia Variable Portfolio – Seligman Global Technology Fund</b>										
2020	36	\$ 37.26 to \$ 42.69	\$ 1,446	— %	1.15 % to 2.55 %	43.21 % to 44.15 %				
2019	41	\$ 26.02 to \$ 29.62	\$ 1,144	— %	1.15 % to 2.55 %	52.16 % to 53.15 %				
2018	47	\$ 17.10 to \$ 19.34	\$ 872	— %	1.15 % to 2.55 %	(10.02)% to (9.43)%				
2017	52	\$ 19.00 to \$ 21.35	\$ 1,060	— %	1.15 % to 2.55 %	32.48 % to 33.34 %				
2016	61	\$ 14.35 to \$ 16.01	\$ 930	— %	1.15 % to 2.55 %	16.96 % to 17.73 %				
<b>Davis VA Financial Portfolio</b>										
2020	1,725	\$ 14.46 to \$ 28.34	\$ 39,297	1.50 %	1.00 % to 3.40 %	(9.09)% to (7.07)%				
2019	1,894	\$ 15.90 to \$ 30.50	\$ 47,060	1.51 %	1.00 % to 3.40 %	21.71 % to 24.42 %				
2018	2,098	\$ 13.06 to \$ 24.51	\$ 42,277	1.15 %	1.00 % to 3.40 %	(13.63)% to (11.70)%				
2017	2,478	\$ 15.11 to \$ 27.76	\$ 57,372	0.73 %	1.00 % to 3.40 %	17.49 % to 20.03 %				
2016	2,659	\$ 12.86 to \$ 23.13	\$ 51,650	0.97 %	1.00 % to 3.40 %	10.54 % to 12.94 %				
<b>Davis VA Real Estate Portfolio</b>										
2020	5	\$ 39.86 to \$ 44.25	\$ 206	2.00 %	1.15 % to 2.55 %	(9.82)% to (9.36)%				
2019	6	\$ 44.19 to \$ 48.82	\$ 266	0.98 %	1.15 % to 2.55 %	23.38 % to 24.00 %				
2018	7	\$ 35.82 to \$ 39.38	\$ 260	2.68 %	1.15 % to 2.55 %	(6.62)% to (6.15)%				
2017	8	\$ 38.36 to \$ 41.95	\$ 324	1.19 %	1.15 % to 2.55 %	6.22 % to 6.75 %				
2016	10	\$ 35.21 to \$ 39.30	\$ 375	1.66 %	1.15 % to 2.55 %	7.47 % to 8.17 %				
<b>Eaton Vance VT Floating-Rate Income Fund</b>										
2020	64	\$ 17.99 to \$ 17.99	\$ 1,148	3.37 %	0.30 % to 0.30 %	1.69 % to 1.69 %				
2019	101	\$ 17.69 to \$ 17.69	\$ 1,778	4.40 %	0.30 % to 0.30 %	6.77 % to 6.77 %				
2018	462	\$ 16.57 to \$ 16.57	\$ 7,662	3.84 %	0.30 % to 0.30 %	(0.38)% to (0.38)%				
2017	346	\$ 16.63 to \$ 16.63	\$ 5,748	3.26 %	0.30 % to 0.30 %	3.12 % to 3.12 %				
2016	327	\$ 16.13 to \$ 16.13	\$ 5,276	3.49 %	0.30 % to 0.30 %	8.63 % to 8.63 %				
<b>Fidelity VIP Emerging Markets Portfolio</b>										
2020	262	\$ 17.39 to \$ 17.39	\$ 4,563	0.77 %	0.30 % to 0.30 %	30.48 % to 30.48 %				
2019	408	\$ 13.32 to \$ 13.32	\$ 5,435	1.44 %	0.30 % to 0.30 %	28.81 % to 28.81 %				

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	Units Outstanding****	Unit Fair Value lowest to highest	Net Assets****	Investment Income Ratio*	Expense Ratio lowest to highest**	Total Return lowest to highest***			
2018	419	\$ 10.34 to \$ 10.34	\$ 4,333	0.64 %	0.30 % to 0.30 %	(18.41)% to (18.41)%			
2017	217	\$ 12.68 to \$ 12.68	\$ 2,755	0.57 %	0.30 % to 0.30 %	46.61 % to 46.61 %			
2016	144	\$ 8.65 to \$ 8.65	\$ 1,244	0.12 %	0.30 % to 0.30 %	2.64 % to 2.64 %			
Fidelity VIP FundsManager 50% Portfolio									
2020	1,184	\$ 14.35 to \$ 19.71	\$ 21,338	0.98 %	1.15 % to 3.40 %	10.18 % to 12.59 %			
2019	1,394	\$ 13.03 to \$ 17.51	\$ 22,443	1.50 %	1.15 % to 3.40 %	13.87 % to 16.35 %			
2018	1,673	\$ 11.81 to \$ 15.05	\$ 23,202	1.19 %	1.15 % to 3.40 %	(8.23)% to (6.46)%			
2017	2,008	\$ 12.79 to \$ 16.08	\$ 29,900	1.00 %	1.15 % to 3.40 %	10.77 % to 12.95 %			
2016	2,080	\$ 11.49 to \$ 14.24	\$ 27,736	1.11 %	1.15 % to 3.40 %	0.85 % to 2.89 %			
Fidelity VIP FundsManager 60% Portfolio									
2020	4,747	\$ 14.57 to \$ 19.43	\$ 83,695	0.91 %	1.15 % to 3.40 %	11.18 % to 13.61 %			
2019	5,418	\$ 13.10 to \$ 17.10	\$ 84,768	1.31 %	1.15 % to 3.40 %	16.35 % to 18.88 %			
2018	6,504	\$ 11.26 to \$ 14.39	\$ 86,245	1.03 %	1.15 % to 3.40 %	(9.56)% to (7.58)%			
2017	7,723	\$ 12.45 to \$ 15.57	\$ 111,536	0.95 %	1.15 % to 3.40 %	12.98 % to 15.44 %			
2016	7,539	\$ 11.02 to \$ 13.48	\$ 95,645	1.10 %	1.15 % to 3.40 %	1.25 % to 3.46 %			
Fidelity VIP Mid Cap Portfolio									
2020	8	\$ 77.74 to \$ 77.74	\$ 611	0.42 %	0.30 % to 0.30 %	17.51 % to 17.51 %			
2019	7	\$ 66.15 to \$ 66.15	\$ 482	0.63 %	0.30 % to 0.30 %	22.80 % to 22.80 %			
2018	10	\$ 53.87 to \$ 53.87	\$ 515	0.66 %	0.30 % to 0.30 %	(15.03)% to (15.03)%			
2017	66	\$ 63.40 to \$ 63.40	\$ 4,154	0.49 %	0.30 % to 0.30 %	20.18 % to 20.18 %			
2016	41	\$ 52.75 to \$ 52.75	\$ 2,151	0.84 %	0.30 % to 0.30 %	11.59 % to 11.59 %			
Fidelity VIP Strategic Income Portfolio									
2020	87	\$ 23.79 to \$ 23.79	\$ 2,076	3.54 %	0.30 % to 0.30 %	6.84 % to 6.84 %			
2019	82	\$ 22.27 to \$ 22.27	\$ 1,824	3.04 %	0.30 % to 0.30 %	10.32 % to 10.32 %			
2018	99	\$ 20.19 to \$ 20.19	\$ 2,007	3.83 %	0.30 % to 0.30 %	(3.12)% to (3.12)%			
2017	85	\$ 20.83 to \$ 20.83	\$ 1,772	3.03 %	0.30 % to 0.30 %	7.22 % to 7.22 %			
2016	85	\$ 19.43 to \$ 19.43	\$ 1,651	4.04 %	0.30 % to 0.30 %	7.69 % to 7.69 %			
Franklin Allocation VIP Fund									
2020	7,004	\$ 11.42 to \$ 18.13	\$ 91,318	1.47 %	0.30 % to 3.40 %	8.05 % to 11.41 %			
2019	7,880	\$ 10.56 to \$ 16.27	\$ 94,216	3.54 %	0.30 % to 3.40 %	15.91 % to 19.50 %			
2018	8,691	\$ 9.11 to \$ 13.62	\$ 88,663	3.06 %	0.30 % to 3.40 %	(12.64)% to (9.92)%			
2017	9,965	\$ 10.42 to \$ 15.12	\$ 115,400	2.70 %	0.30 % to 3.40 %	8.30 % to 11.64 %			
2016	11,344	\$ 9.61 to \$ 13.54	\$ 120,137	3.92 %	0.30 % to 3.40 %	9.40 % to 12.84 %			
Franklin Income VIP Fund									
2020	14,395	\$ 41.07 to \$ 107.46	\$ 938,004	5.90 %	0.30 % to 3.40 %	(2.63)% to 0.39 %			
2019	16,166	\$ 42.18 to \$ 107.04	\$ 1,065,730	5.37 %	0.30 % to 3.40 %	12.23 % to 15.71 %			
2018	18,039	\$ 37.59 to \$ 92.51	\$ 1,037,495	4.84 %	0.30 % to 3.40 %	(7.47)% to (4.59)%			
2017	20,956	\$ 40.62 to \$ 96.96	\$ 1,288,820	4.19 %	0.30 % to 3.40 %	6.07 % to 9.34 %			
2016	22,898	\$ 38.30 to \$ 88.68	\$ 1,292,378	4.98 %	0.30 % to 3.40 %	10.27 % to 13.68 %			
Franklin Mutual Shares VIP Fund									
2020	11,027	\$ 22.03 to \$ 45.31	\$ 296,587	2.83 %	0.30 % to 3.40 %	(8.18)% to (5.33)%			
2019	12,376	\$ 23.98 to \$ 47.86	\$ 360,673	1.82 %	0.30 % to 3.40 %	18.53 % to 22.20 %			
2018	14,006	\$ 20.22 to \$ 39.16	\$ 338,348	2.36 %	0.30 % to 3.40 %	(12.08)% to (9.34)%			
2017	16,656	\$ 22.98 to \$ 43.20	\$ 457,143	2.26 %	0.30 % to 3.40 %	4.79 % to 8.02 %			
2016	18,891	\$ 21.92 to \$ 39.99	\$ 487,498	2.01 %	0.30 % to 3.40 %	12.23 % to 15.71 %			

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	Units Outstanding****	Unit Fair Value	lowest to highest	Net Assets****	Investment Income Ratio*	Expense Ratio lowest to highest**		Total Return lowest to highest***		
<b>Franklin Rising Dividends VIP Fund</b>										
2020	3,364	\$ 70.29	to \$ 149.29	\$ 218,720	1.35 %	0.30 %	to 2.70 %	12.87 %	to 15.62 %	
2019	3,768	\$ 62.28	to \$ 129.12	\$ 219,360	1.35 %	0.30 %	to 2.70 %	25.79 %	to 28.84 %	
2018	4,167	\$ 49.51	to \$ 100.22	\$ 194,815	1.35 %	0.30 %	to 2.70 %	(7.62)%	to (5.36)%	
2017	4,755	\$ 53.59	to \$ 105.89	\$ 243,653	1.61 %	0.30 %	to 2.70 %	17.35 %	to 20.20 %	
2016	5,308	\$ 45.66	to \$ 88.10	\$ 233,739	1.49 %	0.30 %	to 2.70 %	12.95 %	to 15.69 %	
<b>Franklin Strategic Income VIP Fund</b>										
2020	26	\$ 27.48	to \$ 27.48	\$ 701	5.00 %	0.30 %	to 0.30 %	3.12 %	to 3.12 %	
2019	27	\$ 26.64	to \$ 26.64	\$ 724	5.20 %	0.30 %	to 0.30 %	7.73 %	to 7.73 %	
2018	34	\$ 24.73	to \$ 24.73	\$ 832	2.73 %	0.30 %	to 0.30 %	(2.43)%	to (2.43)%	
2017	38	\$ 25.35	to \$ 25.35	\$ 968	2.87 %	0.30 %	to 0.30 %	4.25 %	to 4.25 %	
2016	39	\$ 24.32	to \$ 24.32	\$ 958	3.61 %	0.30 %	to 0.30 %	7.62 %	to 7.62 %	
<b>Franklin U.S. Government Securities VIP Fund</b>										
2020	6,556	\$ 16.32	to \$ 47.40	\$ 180,119	3.47 %	— %	to 3.40 %	0.40 %	to 3.83 %	
2019	7,470	\$ 16.26	to \$ 45.65	\$ 200,585	2.93 %	— %	to 3.40 %	1.76 %	to 5.23 %	
2018	8,497	\$ 15.97	to \$ 43.38	\$ 221,290	2.78 %	— %	to 3.40 %	(2.99)%	to 0.34 %	
2017	9,942	\$ 16.47	to \$ 43.23	\$ 262,563	2.68 %	— %	to 3.40 %	(1.99)%	to 1.34 %	
2016	11,754	\$ 17.50	to \$ 42.66	\$ 311,288	2.56 %	— %	to 3.40 %	(2.60)%	to 0.66 %	
<b>Invesco Oppenheimer V.I. Global Strategic Income Fund</b>										
2020	81	\$ 21.18	to \$ 32.54	\$ 2,167	5.91 %	1.15 %	to 2.70 %	0.64 %	to 2.22 %	
2019	88	\$ 21.04	to \$ 31.83	\$ 2,303	3.84 %	1.15 %	to 2.70 %	7.85 %	to 9.54 %	
2018	96	\$ 19.51	to \$ 29.06	\$ 2,288	4.95 %	1.15 %	to 2.70 %	(6.96)%	to (5.50)%	
2017	114	\$ 20.97	to \$ 30.75	\$ 2,903	2.27 %	1.15 %	to 2.70 %	3.45 %	to 5.06 %	
2016	149	\$ 20.27	to \$ 29.27	\$ 3,698	5.00 %	1.15 %	to 2.70 %	3.69 %	to 5.31 %	
<b>Invesco Oppenheimer V.I. International Growth Fund</b>										
2020	39	\$ 33.97	to \$ 33.97	\$ 1,336	0.58 %	0.30 %	to 0.30 %	20.68 %	to 20.68 %	
2019	45	\$ 28.15	to \$ 28.15	\$ 1,281	0.83 %	0.30 %	to 0.30 %	27.57 %	to 27.57 %	
2018	78	\$ 22.07	to \$ 22.07	\$ 1,724	0.62 %	0.30 %	to 0.30 %	(19.79)%	to (19.79)%	
2017	59	\$ 27.51	to \$ 27.51	\$ 1,632	1.12 %	0.30 %	to 0.30 %	26.07 %	to 26.07 %	
2016	60	\$ 21.82	to \$ 21.82	\$ 1,303	0.82 %	0.30 %	to 0.30 %	(3.01)%	to (3.01)%	
<b>Invesco V.I. American Value Fund</b>										
2020	10	\$ 42.28	to \$ 42.28	\$ 422	0.55 %	0.30 %	to 0.30 %	0.55 %	to 0.55 %	
2019	19	\$ 42.04	to \$ 42.04	\$ 780	0.38 %	0.30 %	to 0.30 %	24.34 %	to 24.34 %	
2018	15	\$ 33.81	to \$ 33.81	\$ 521	0.19 %	0.30 %	to 0.30 %	(13.13)%	to (13.13)%	
2017	13	\$ 38.92	to \$ 38.92	\$ 522	0.60 %	0.30 %	to 0.30 %	9.35 %	to 9.35 %	
2016	18	\$ 35.60	to \$ 35.60	\$ 652	0.12 %	0.30 %	to 0.30 %	14.87 %	to 14.87 %	
<b>Invesco V.I. Balanced-Risk Allocation Fund</b>										
2020	16	\$ 24.46	to \$ 24.46	\$ 394	7.83 %	0.30 %	to 0.30 %	9.66 %	to 9.66 %	
2019	17	\$ 22.31	to \$ 22.31	\$ 382	— %	0.30 %	to 0.30 %	14.54 %	to 14.54 %	
2018	47	\$ 19.47	to \$ 19.47	\$ 924	1.30 %	0.30 %	to 0.30 %	(6.99)%	to (6.99)%	
2017	48	\$ 20.94	to \$ 20.94	\$ 1,015	3.75 %	0.30 %	to 0.30 %	9.50 %	to 9.50 %	
2016	53	\$ 19.12	to \$ 19.12	\$ 1,017	0.20 %	0.30 %	to 0.30 %	11.18 %	to 11.18 %	
<b>Ivy VIP Asset Strategy Portfolio</b>										
2020	11	\$ 85.18	to \$ 85.18	\$ 976	2.10 %	0.30 %	to 0.30 %	13.54 %	to 13.54 %	
2019	12	\$ 75.02	to \$ 75.02	\$ 878	2.08 %	0.30 %	to 0.30 %	21.41 %	to 21.41 %	

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2018	13	\$ 61.79	to \$ 61.79	\$ 830	1.79 %	0.30 % to 0.30 %	(5.72)%	to	(5.72)%	
2017	14	\$ 65.54	to \$ 65.54	\$ 938	1.43 %	0.30 % to 0.30 %	17.92 %	to	17.92 %	
2016	27	\$ 55.58	to \$ 55.58	\$ 1,484	0.58 %	0.30 % to 0.30 %	(2.86)%	to	(2.86)%	
Ivy VIP Energy Portfolio										
2020	8	\$ 5.21	to \$ 5.21	\$ 43	1.66 %	0.30 % to 0.30 %	(37.02)%	to	(37.02)%	
2019	15	\$ 8.27	to \$ 8.27	\$ 128	— %	0.30 % to 0.30 %	3.17 %	to	3.17 %	
2018	37	\$ 8.01	to \$ 8.01	\$ 298	— %	0.30 % to 0.30 %	(34.33)%	to	(34.33)%	
2017	48	\$ 12.20	to \$ 12.20	\$ 588	0.94 %	0.30 % to 0.30 %	(12.90)%	to	(12.90)%	
2016	43	\$ 14.01	to \$ 14.01	\$ 604	0.12 %	0.30 % to 0.30 %	34.15 %	to	34.15 %	
Ivy VIP Growth Portfolio										
2020	1	\$ 384.73	to \$ 384.73	\$ 506	— %	0.30 % to 0.30 %	30.16 %	to	30.16 %	
2019	1	\$ 295.59	to \$ 295.59	\$ 398	— %	0.30 % to 0.30 %	36.18 %	to	36.18 %	
2018	2	\$ 217.07	to \$ 217.07	\$ 403	0.03 %	0.30 % to 0.30 %	1.98 %	to	1.98 %	
2017	1	\$ 212.86	to \$ 212.86	\$ 312	0.24 %	0.30 % to 0.30 %	28.95 %	to	28.95 %	
2016	1	\$ 165.07	to \$ 165.07	\$ 244	0.02 %	0.30 % to 0.30 %	0.92 %	to	0.92 %	
Ivy VIP Mid Cap Growth Portfolio										
2020	12	\$ 72.36	to \$ 72.36	\$ 889	— %	0.30 % to 0.30 %	48.55 %	to	48.55 %	
2019	14	\$ 48.71	to \$ 48.71	\$ 698	— %	0.30 % to 0.30 %	37.53 %	to	37.53 %	
2018	12	\$ 35.42	to \$ 35.42	\$ 410	— %	0.30 % to 0.30 %	(0.36)%	to	(0.36)%	
2017	16	\$ 35.54	to \$ 35.54	\$ 553	— %	0.30 % to 0.30 %	26.52 %	to	26.52 %	
2016	16	\$ 28.09	to \$ 28.09	\$ 438	— %	0.30 % to 0.30 %	5.80 %	to	5.80 %	
Ivy VIP Natural Resources Portfolio										
2020	6	\$ 9.39	to \$ 9.39	\$ 59	2.48 %	0.30 % to 0.30 %	(12.25)%	to	(12.25)%	
2019	6	\$ 10.70	to \$ 10.70	\$ 60	1.02 %	0.30 % to 0.30 %	9.13 %	to	9.13 %	
2018	6	\$ 9.80	to \$ 9.80	\$ 61	0.30 %	0.30 % to 0.30 %	(23.46)%	to	(23.46)%	
2017	6	\$ 12.81	to \$ 12.81	\$ 74	0.12 %	0.30 % to 0.30 %	2.66 %	to	2.66 %	
2016	9	\$ 12.48	to \$ 12.48	\$ 112	0.69 %	0.30 % to 0.30 %	23.44 %	to	23.44 %	
Ivy VIP Science and Technology Portfolio										
2020	4	\$ 287.07	to \$ 287.07	\$ 1,046	— %	0.30 % to 0.30 %	34.95 %	to	34.95 %	
2019	6	\$ 212.72	to \$ 212.72	\$ 1,303	— %	0.30 % to 0.30 %	49.04 %	to	49.04 %	
2018	9	\$ 142.73	to \$ 142.73	\$ 1,257	— %	0.30 % to 0.30 %	(5.52)%	to	(5.52)%	
2017	9	\$ 151.07	to \$ 151.07	\$ 1,434	— %	0.30 % to 0.30 %	31.72 %	to	31.72 %	
2016	11	\$ 114.69	to \$ 114.69	\$ 1,252	— %	0.30 % to 0.30 %	1.24 %	to	1.24 %	
JPMorgan Insurance Trust Core Bond Portfolio										
2020	1,737	\$ 9.14	to \$ 15.83	\$ 25,385	1.83 %	0.30 % to 2.05 %	5.54 %	to	7.36 %	
2019	1,592	\$ 8.52	to \$ 14.87	\$ 22,080	2.36 %	0.30 % to 2.05 %	5.73 %	to	7.54 %	
2018	1,530	\$ 7.92	to \$ 13.94	\$ 19,933	2.22 %	0.30 % to 2.05 %	(2.21)%	to	(0.53)%	
2017	1,336	\$ 7.96	to \$ 14.14	\$ 17,566	2.34 %	0.30 % to 2.05 %	1.26 %	to	2.99 %	
2016	1,231	\$ 7.73	to \$ 13.84	\$ 15,949	2.59 %	0.30 % to 2.05 %	(0.18)%	to	1.53 %	
Lazard Retirement International Equity Portfolio										
2020	12	\$ 24.16	to \$ 24.16	\$ 283	2.24 %	0.30 % to 0.30 %	7.91 %	to	7.91 %	
2019	12	\$ 22.39	to \$ 22.39	\$ 260	0.34 %	0.30 % to 0.30 %	20.64 %	to	20.64 %	
2018	12	\$ 18.56	to \$ 18.56	\$ 224	1.55 %	0.30 % to 0.30 %	(14.17)%	to	(14.17)%	
2017	13	\$ 21.62	to \$ 21.62	\$ 271	2.33 %	0.30 % to 0.30 %	21.97 %	to	21.97 %	
2016	14	\$ 17.73	to \$ 17.73	\$ 246	0.99 %	0.30 % to 0.30 %	(4.57)%	to	(4.57)%	

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<b>Lazard Retirement U.S. Small-Mid Cap Equity Portfolio</b>									
2020	9	\$ 57.01 to \$ 57.01	\$ 536.00	0.04 %	0.30 % to 0.30 %	6.47 % to 6.47 %			
2019	72	\$ 53.55 to \$ 53.55	\$ 3,860.00	— %	0.30 % to 0.30 %	29.54 % to 29.54 %			
2018	71	\$ 41.34 to \$ 41.34	\$ 2,951.00	0.02 %	0.30 % to 0.30 %	(13.50)% to (13.50)%			
2017	92	\$ 47.79 to \$ 47.79	\$ 4,402.00	0.40 %	0.30 % to 0.30 %	13.60 % to 13.60 %			
2016	61	\$ 42.07 to \$ 42.07	\$ 2,545.00	— %	0.30 % to 0.30 %	15.44 % to 15.44 %			
<b>MFS International Intrinsic Value Portfolio</b>									
2020	103	\$ 25.30 to \$ 25.30	\$ 2,598	0.77 %	0.30 % to 0.30 %	19.85 % to 19.85 %			
2019	113	\$ 21.11 to \$ 21.11	\$ 2,376	1.50 %	0.30 % to 0.30 %	25.28 % to 25.28 %			
2018	121	\$ 16.85 to \$ 16.85	\$ 2,035	0.94 %	0.30 % to 0.30 %	(10.00)% to (10.00)%			
2017	119	\$ 18.72 to \$ 18.72	\$ 2,220	1.31 %	0.30 % to 0.30 %	26.44 % to 26.44 %			
2016	125	\$ 14.81 to \$ 14.81	\$ 1,857	1.14 %	0.30 % to 0.30 %	3.53 % to 3.53 %			
<b>MFS VIT Total Return Bond Portfolio</b>									
2020	1,789	\$ 18.03 to \$ 25.92	\$ 36,398	3.24 %	0.30 % to 2.05 %	5.97 % to 7.85 %			
2019	1,832	\$ 17.02 to \$ 24.03	\$ 35,037	3.25 %	0.30 % to 2.05 %	7.69 % to 9.59 %			
2018	1,787	\$ 15.95 to \$ 21.93	\$ 31,518	3.12 %	0.30 % to 2.05 %	(3.29)% to (1.63)%			
2017	1,510	\$ 16.49 to \$ 22.29	\$ 27,388	3.03 %	0.30 % to 2.05 %	2.13 % to 3.87 %			
2016	1,290	\$ 16.15 to \$ 21.46	\$ 22,887	3.93 %	0.30 % to 2.05 %	1.95 % to 3.70 %			
<b>MFS VIT Utilities Portfolio</b>									
2020	3	\$ 39.66 to \$ 39.66	\$ 107	2.05 %	0.30 % to 0.30 %	5.30 % to 5.30 %			
2019	11	\$ 37.66 to \$ 37.66	\$ 431	4.87 %	0.30 % to 0.30 %	24.43 % to 24.43 %			
2018	3	\$ 30.27 to \$ 30.27	\$ 93	0.80 %	0.30 % to 0.30 %	0.51 % to 0.51 %			
2017	4	\$ 30.11 to \$ 30.11	\$ 124	3.61 %	0.30 % to 0.30 %	14.15 % to 14.15 %			
2016	7	\$ 26.38 to \$ 26.38	\$ 194	4.84 %	0.30 % to 0.30 %	10.90 % to 10.90 %			
<b>PIMCO VIT All Asset Portfolio</b>									
2020	15,537	\$ 14.33 to \$ 23.64	\$ 288,825	5.00 %	0.30 % to 3.40 %	4.44 % to 7.69 %			
2019	17,569	\$ 13.71 to \$ 21.95	\$ 308,198	2.91 %	0.30 % to 3.40 %	8.21 % to 11.56 %			
2018	19,782	\$ 12.67 to \$ 19.68	\$ 315,960	3.12 %	0.30 % to 3.40 %	(8.54)% to (5.69)%			
2017	22,983	\$ 13.84 to \$ 20.87	\$ 395,072	4.59 %	0.30 % to 3.40 %	9.81 % to 13.20 %			
2016	25,488	\$ 12.60 to \$ 18.43	\$ 392,444	2.62 %	0.30 % to 3.40 %	9.21 % to 12.59 %			
<b>PIMCO VIT Balanced Allocation Portfolio</b>									
2020	5,811	\$ 12.40 to \$ 13.41	\$ 75,819	0.98 %	1.15 % to 2.05 %	8.86 % to 9.85 %			
2019	6,660	\$ 11.39 to \$ 12.21	\$ 79,383	2.15 %	1.15 % to 2.05 %	16.59 % to 17.65 %			
2018	7,323	\$ 9.77 to \$ 10.38	\$ 74,432	1.29 %	1.15 % to 2.05 %	(7.51)% to (6.67)%			
2017	8,045	\$ 10.56 to \$ 11.12	\$ 87,877	0.71 %	1.15 % to 2.05 %	12.16 % to 13.18 %			
2016	8,764	\$ 9.42 to \$ 9.82	\$ 84,834	0.76 %	1.15 % to 2.05 %	0.85 % to 1.77 %			
<b>PIMCO VIT CommodityRealReturn Strategy Portfolio</b>									
2020	7,179	\$ 4.51 to \$ 7.57	\$ 38,457	6.52 %	— % to 3.40 %	(2.00)% to 1.35 %			
2019	7,681	\$ 4.60 to \$ 7.47	\$ 41,546	4.47 %	— % to 3.40 %	7.76 % to 11.43 %			
2018	8,058	\$ 4.27 to \$ 6.71	\$ 39,993	2.09 %	— % to 3.40 %	(16.98)% to (14.13)%			
2017	9,380	\$ 5.14 to \$ 7.81	\$ 55,600	11.25 %	— % to 3.40 %	(1.20)% to 2.15 %			
2016	10,042	\$ 5.20 to \$ 7.64	\$ 59,609	1.10 %	— % to 3.40 %	11.36 % to 15.16 %			
<b>PIMCO VIT Dynamic Bond Portfolio</b>									
2020	12,952	\$ 9.48 to \$ 13.05	\$ 145,668	2.79 %	— % to 3.40 %	1.40 % to 4.81 %			
2019	15,799	\$ 9.35 to \$ 12.45	\$ 172,393	4.44 %	— % to 3.40 %	1.53 % to 4.94 %			



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December 31, 2020

	At December 31				For the years or periods ended December 31			
	Units Outstanding****	Unit Fair Value	lowest to highest	Net Assets****	Investment Income Ratio*	Expense Ratio lowest to highest**	Total Return lowest to highest***	
2018	17,733	\$ 9.21	to \$ 11.87	\$ 187,198	2.82 %	— % to 3.40 %	(2.27)%	to 1.03 %
2017	20,705	\$ 9.42	to \$ 11.75	\$ 219,757	1.71 %	— % to 3.40 %	1.61 %	to 5.01 %
2016	21,704	\$ 9.27	to \$ 11.19	\$ 222,561	1.74 %	— % to 3.40 %	1.34 %	to 4.74 %
PIMCO VIT Emerging Markets Bond Portfolio								
2020	4,292	\$ 16.00	to \$ 35.00	\$ 86,204	4.61 %	— % to 3.40 %	3.18 %	to 6.70 %
2019	4,961	\$ 15.50	to \$ 33.32	\$ 95,266	4.44 %	— % to 3.40 %	11.01 %	to 14.80 %
2018	6,200	\$ 13.95	to \$ 29.48	\$ 105,980	4.13 %	— % to 3.40 %	(7.89)%	to (4.73)%
2017	7,595	\$ 15.14	to \$ 31.43	\$ 139,054	5.09 %	— % to 3.40 %	6.28 %	to 9.89 %
2016	8,810	\$ 14.24	to \$ 29.04	\$ 149,604	5.27 %	— % to 3.40 %	9.61 %	to 13.34 %
PIMCO VIT Global Bond Opportunities Portfolio (Unhedged)								
2020	3,540	\$ 10.93	to \$ 18.34	\$ 47,778	2.48 %	— % to 3.40 %	6.49 %	to 10.12 %
2019	4,116	\$ 10.26	to \$ 16.65	\$ 51,561	2.46 %	— % to 3.40 %	2.63 %	to 6.13 %
2018	4,631	\$ 9.99	to \$ 15.69	\$ 55,781	6.16 %	— % to 3.40 %	(7.37)%	to (4.20)%
2017	5,589	\$ 10.78	to \$ 16.38	\$ 71,855	1.94 %	— % to 3.40 %	5.11 %	to 8.63 %
2016	6,231	\$ 10.25	to \$ 18.02	\$ 75,178	1.51 %	— % to 3.40 %	0.67 %	to 4.04 %
PIMCO VIT Global Core Bond (Hedged) Portfolio								
2020	7,411	\$ 9.17	to \$ 11.20	\$ 79,472	6.12 %	1.15 % to 3.40 %	4.70 %	to 6.87 %
2019	8,493	\$ 8.76	to \$ 10.48	\$ 85,815	2.21 %	1.15 % to 3.40 %	4.49 %	to 6.66 %
2018	10,384	\$ 8.39	to \$ 9.82	\$ 98,630	1.68 %	1.15 % to 3.40 %	(2.15)%	to (0.11)%
2017	10,197	\$ 8.75	to \$ 9.83	\$ 97,634	1.43 %	1.15 % to 3.40 %	1.32 %	to 3.10 %
2016	9,851	\$ 8.58	to \$ 9.54	\$ 91,724	1.69 %	1.15 % to 3.40 %	3.63 %	to 5.57 %
PIMCO VIT Global Managed Asset Allocation Portfolio								
2020	8,931	\$ 12.22	to \$ 17.68	\$ 130,814	8.06 %	— % to 3.40 %	13.03 %	to 16.83 %
2019	10,450	\$ 10.81	to \$ 15.13	\$ 133,161	2.15 %	— % to 3.40 %	13.26 %	to 17.06 %
2018	12,168	\$ 9.67	to \$ 12.93	\$ 134,729	1.70 %	— % to 3.40 %	(8.45)%	to (5.46)%
2017	14,339	\$ 10.56	to \$ 13.67	\$ 170,774	2.20 %	— % to 3.40 %	10.50 %	to 14.08 %
2016	16,198	\$ 9.55	to \$ 11.98	\$ 172,105	2.40 %	— % to 3.40 %	0.76 %	to 4.04 %
PIMCO VIT High Yield Portfolio								
2020	19,322	\$ 17.22	to \$ 35.34	\$ 481,389	4.85 %	— % to 3.40 %	2.26 %	to 5.76 %
2019	23,360	\$ 16.84	to \$ 33.42	\$ 560,228	4.96 %	— % to 3.40 %	10.97 %	to 14.75 %
2018	27,588	\$ 15.17	to \$ 29.12	\$ 586,686	5.10 %	— % to 3.40 %	(5.88)%	to (2.65)%
2017	32,146	\$ 16.12	to \$ 29.92	\$ 712,987	4.88 %	— % to 3.40 %	3.12 %	to 6.63 %
2016	35,232	\$ 15.63	to \$ 28.06	\$ 743,025	5.22 %	— % to 3.40 %	8.78 %	to 12.48 %
PIMCO VIT Long-Term U.S. Government Portfolio								
2020	158	\$ 28.68	to \$ 44.73	\$ 5,405	1.69 %	— % to 2.60 %	14.68 %	to 17.06 %
2019	176	\$ 24.75	to \$ 38.21	\$ 5,112	1.97 %	— % to 2.60 %	10.65 %	to 13.00 %
2018	30	\$ 23.04	to \$ 28.61	\$ 774	2.38 %	— % to 2.60 %	(4.56)%	to (3.50)%
2017 <sup>2</sup>	12	\$ 0.03	to \$ 0.03	\$ —	1.46 %	— % to 2.60 %	4.79 %	to 5.25 %
PIMCO VIT Low Duration Portfolio								
2020	336	\$ 19.85	to \$ 19.85	\$ 6,668	1.27 %	0.30 % to 0.30 %	2.68 %	to 2.68 %
2019	448	\$ 19.33	to \$ 19.33	\$ 8,661	2.74 %	0.30 % to 0.30 %	3.72 %	to 3.72 %
2018	291	\$ 18.63	to \$ 18.63	\$ 5,415	1.97 %	0.30 % to 0.30 %	0.04 %	to 0.04 %
2017	119	\$ 18.63	to \$ 18.63	\$ 2,217	1.38 %	0.30 % to 0.30 %	1.05 %	to 1.05 %
2016	278	\$ 18.43	to \$ 18.43	\$ 5,121	1.50 %	0.30 % to 0.30 %	1.10 %	to 1.10 %

# ALLIANZ LIFE VARIABLE ACCOUNT B OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Notes to the Financial Statements  
December 31, 2020

	At December 31			For the years or periods ended December 31					
	Units Outstanding****	Unit Fair Value lowest to highest	Net Assets****	Investment Income Ratio*	Expense Ratio lowest to highest**		Total Return lowest to highest***		
<b>PIMCO VIT Real Return Portfolio</b>									
2020	16,003	\$ 12.48 to \$ 24.32	\$ 261,562	1.41 %	— % to 3.40 %	8.08 % to 11.72 %			
2019	19,087	\$ 11.55 to \$ 22.11	\$ 284,537	1.65 %	— % to 3.40 %	4.92 % to 8.45 %			
2018	22,224	\$ 11.00 to \$ 20.70	\$ 311,183	2.49 %	— % to 3.40 %	(5.40)% to (2.20)%			
2017	26,057	\$ 11.63 to \$ 21.50	\$ 379,635	2.37 %	— % to 3.40 %	0.30 % to 3.66 %			
2016	28,691	\$ 11.60 to \$ 21.07	\$ 410,286	2.28 %	— % to 3.40 %	1.68 % to 5.20 %			
<b>PIMCO VIT StocksPLUS Global Portfolio</b>									
2020	14,716	\$ 7.30 to \$ 19.72	\$ 231,036	1.12 %	0.30 % to 3.40 %	9.30 % to 12.70 %			
2019	17,175	\$ 6.60 to \$ 17.50	\$ 244,261	1.53 %	0.30 % to 3.40 %	23.32 % to 27.14 %			
2018	19,341	\$ 5.29 to \$ 13.76	\$ 219,308	1.52 %	0.30 % to 3.40 %	(13.70)% to (11.01)%			
2017	22,407	\$ 6.06 to \$ 15.47	\$ 292,155	3.33 %	0.30 % to 3.40 %	19.01 % to 22.62 %			
2016	25,558	\$ 5.04 to \$ 12.61	\$ 277,104	5.08 %	0.30 % to 3.40 %	4.25 % to 7.43 %			
<b>PIMCO VIT Total Return Portfolio</b>									
2020	36,758	\$ 14.82 to \$ 31.85	\$ 800,296	2.13 %	— % to 3.40 %	5.07 % to 8.66 %			
2019	40,947	\$ 14.10 to \$ 29.31	\$ 836,413	3.02 %	— % to 3.40 %	4.80 % to 8.37 %			
2018	46,010	\$ 13.45 to \$ 27.04	\$ 881,868	2.54 %	— % to 3.40 %	(3.82)% to (0.53)%			
2017	51,931	\$ 13.97 to \$ 27.19	\$ 1,018,136	2.02 %	— % to 3.40 %	1.47 % to 4.92 %			
2016	56,159	\$ 13.77 to \$ 25.91	\$ 1,066,912	2.08 %	— % to 3.40 %	(0.70)% to 2.68 %			
<b>QS Legg Mason Dynamic Multi-Strategy VIT Portfolio</b>									
2020	4	\$ 14.07 to \$ 14.07	\$ 62	1.18 %	0.30 % to 0.30 %	(8.59)% to (8.59)%			
2019	15	\$ 15.39 to \$ 15.39	\$ 228	2.10 %	0.30 % to 0.30 %	15.17 % to 15.17 %			
2018	15	\$ 13.36 to \$ 13.36	\$ 199	1.70 %	0.30 % to 0.30 %	(7.53)% to (7.53)%			
2017	5	\$ 14.45 to \$ 14.45	\$ 65	0.76 %	0.30 % to 0.30 %	13.48 % to 13.48 %			
2016	16	\$ 12.73 to \$ 12.73	\$ 202	0.91 %	0.30 % to 0.30 %	(0.77)% to (0.77)%			
<b>T. Rowe Price Blue Chip Growth Portfolio</b>									
2020	63	\$ 66.81 to \$ 66.81	\$ 4,230	— %	0.30 % to 0.30 %	33.51 % to 33.51 %			
2019	116	\$ 50.04 to \$ 50.04	\$ 5,813	— %	0.30 % to 0.30 %	29.19 % to 29.19 %			
2018	75	\$ 38.74 to \$ 38.74	\$ 2,919	— %	0.30 % to 0.30 %	1.34 % to 1.34 %			
2017	71	\$ 38.22 to \$ 38.22	\$ 2,695	— %	0.30 % to 0.30 %	35.42 % to 35.42 %			
2016	84	\$ 28.22 to \$ 28.22	\$ 2,372	— %	0.30 % to 0.30 %	0.24 % to 0.24 %			
<b>T. Rowe Price Equity Income Portfolio</b>									
2020	28	\$ 32.40 to \$ 32.40	\$ 917	2.07 %	0.30 % to 0.30 %	0.65 % to 0.65 %			
2019	41	\$ 32.19 to \$ 32.19	\$ 1,320	1.97 %	0.30 % to 0.30 %	25.67 % to 25.67 %			
2018	56	\$ 25.61 to \$ 25.61	\$ 1,438	1.80 %	0.30 % to 0.30 %	(9.96)% to (9.96)%			
2017	57	\$ 28.45 to \$ 28.45	\$ 1,628	1.58 %	0.30 % to 0.30 %	15.38 % to 15.38 %			
2016	54	\$ 24.65 to \$ 24.65	\$ 1,335	2.04 %	0.30 % to 0.30 %	18.50 % to 18.50 %			
<b>T. Rowe Price Health Sciences Portfolio</b>									
2020	9	\$ 117.96 to \$ 117.96	\$ 1,004	— %	0.30 % to 0.30 %	28.88 % to 28.88 %			
2019	13	\$ 91.53 to \$ 91.53	\$ 1,194	— %	0.30 % to 0.30 %	28.24 % to 28.24 %			
2018	16	\$ 71.37 to \$ 71.37	\$ 1,113	— %	0.30 % to 0.30 %	0.55 % to 0.55 %			
2017	17	\$ 70.98 to \$ 70.98	\$ 1,233	— %	0.30 % to 0.30 %	26.93 % to 26.93 %			
2016	18	\$ 55.92 to \$ 55.92	\$ 997	— %	0.30 % to 0.30 %	(10.98)% to (10.98)%			
<b>Templeton Global Bond VIP Fund</b>									
2020	11,044	\$ 23.85 to \$ 69.74	\$ 463,529	8.33 %	— % to 3.40 %	(8.41)% to (5.28)%			
2019	12,315	\$ 26.04 to \$ 73.63	\$ 555,889	7.08 %	— % to 3.40 %	(1.35)% to 2.01 %			

**ALLIANZ LIFE VARIABLE ACCOUNT B**  
**OF ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**

Notes to the Financial Statements  
December 31, 2020

	At December 31			For the years or periods ended December 31			
	Units Outstanding****	Unit Fair Value lowest to highest	Net Assets****	Investment Income Ratio*	Expense Ratio lowest to highest**	Total Return lowest to highest***	
2018	13,706	\$ 27.38 to \$ 72.17	\$ 616,889	— %	— % to 3.40 %	(1.39)% to 1.94 %	
2017	16,014	\$ 27.76 to \$ 70.80	\$ 718,124	— %	— % to 3.40 %	(1.37)% to 1.93 %	
2016	17,662	\$ 28.15 to \$ 69.46	\$ 784,007	— %	— % to 3.40 %	(0.40)% to 2.94 %	
<b>Templeton Growth VIP Fund</b>							
2020	7,750	\$ 21.67 to \$ 47.82	\$ 207,398	3.07 %	0.30 % to 3.40 %	2.30 % to 5.48 %	
2019	8,939	\$ 21.17 to \$ 45.33	\$ 233,321	2.82 %	0.30 % to 3.40 %	11.36 % to 14.81 %	
2018	9,815	\$ 19.00 to \$ 39.49	\$ 224,433	2.04 %	0.30 % to 3.40 %	(17.67)% to (15.11)%	
2017	11,514	\$ 23.07 to \$ 46.51	\$ 320,196	1.69 %	0.30 % to 3.40 %	14.61 % to 18.15 %	
2016	13,230	\$ 20.12 to \$ 39.37	\$ 318,160	2.11 %	0.30 % to 3.40 %	6.01 % to 9.29 %	

1. Period from October 14, 2016 (fund commencement) to December 31, 2016
2. Period from May 1, 2017 (fund commencement) to December 31, 2017
3. Period from October 16, 2017 (fund commencement) to December 31, 2017

\* These amounts represent the dividends, excluding distributions of capital gains, received by the subaccount from the underlying fund, net of management fees assessed by the fund manager, divided by the average daily net assets. These ratios exclude those expenses, such as mortality and expense risk and administrative charges, that result in direct reductions in the unit values. The recognition of investment income by the subaccount is affected by the timing of the declaration of dividends by the underlying fund in which the subaccounts invest.

\*\* These ratios represent the annualized contract expenses of the Variable Account, consisting primarily of mortality and expense risk and administrative charges, for each period indicated, based on the products available to the contractholders. The ratios include only those expenses that result in a direct reduction to unit values. Charges made directly to contractholder accounts through the redemption of units such as the contract maintenance charges and rider charges for the optional benefits Investment Protector and Income Protector, the account fee for the Income Advantage Account, and expenses of the underlying funds are excluded. Mortality and expense risk and administrative charges for all funds in annuitized contracts are excluded from the expense ratio.

\*\*\* These amounts represent the total return for the periods indicated, including changes in the value of the underlying fund, and reflect contract expenses of the Variable Account for products held at the time by contractholders. The total return does not include any expenses assessed through the redemption of units. Inclusion of these expenses in the calculation would result in a reduction in the total return presented. Funds with a date notation, as shown below, indicate the effective date of that fund in the Variable Account. The total return is calculated for the period indicated or from the effective date through the end of the reporting period. The total return is presented as a range of minimum to maximum values. Based on the product grouping representing the minimum and maximum expense ratio amounts, some individual contract returns are not within the ranges presented and are not annualized.

\*\*\*\* Units Outstanding excludes units for annuitized contracts. Total Net Assets includes the net assets of the annuitized contracts. Total net assets of annuitized contracts at December 31, 2020, 2019, 2018, 2017 and 2016, are \$10,473, \$9,974, \$9,248, \$9,476 and \$9,453, respectively.

**(7) Subsequent Events**

No material subsequent events have occurred since December 31, 2020 through March 29, 2021, the date at which the financial statements were issued, that would require adjustment to the financial statements.