



TOPS[®] Managed Risk Flex ETF Portfolio
A series of the Northern Lights Variable Trust

Annual Report

December 31, 2023

Distributed by Northern Lights Distributors, LLC

Member FINRA

A Message from the TOPS® Portfolio Management Team

End of Year 2023 Market Commentary

The Bulls overcame the Bears in the 4th Quarter to Deliver Strong 2023 Results

In a Fall commentary, we forecasted the 4th quarter “promises to be an eventful 4th quarter”. This prognostication proved true. A third quarter pullback in markets spilled over to a bearish result in October as well. However, the bulls took over starting October 27th and the market rallied through year end to finish with strong 2023 results. The year started with a banking crisis, which markets largely took in stride. As the year developed, major factors included geopolitical concerns (mainly Russia/Ukraine, Israel/Palestine, and China/Taiwan), persistent inflation, and higher interest rates driven by the Federal Reserve. With all TOPS portfolios experiencing returns well into positive territory, it was an above-average year and a welcome recovery from the 2022 pullback across markets.

The recession many feared in 2023 never materialized. Yet the risk of recession is not totally behind us for 2024. The Federal Reserve of New York’s Probability of Recession within the next 12 months sits at 62.94%, down from estimates earlier in 2023 of over 70%, but up from a low of 46.11% on October 31, 2023. We will talk about the return opportunity below; however, only time will tell if we do see a recession in '24 and the effect it could have on markets. Important to note, a mild recession does not necessarily mean doom for markets for the year overall.

Regardless of how markets perform in '24, it promises to be entertaining. CNBC recently reported that over half of the world’s population will cast a vote in a major election this year. It goes without saying that our own Presidential election will garner considerable interest. The election will surely dominate media, if it ever really slowed down since the last election.

With all these distractions, we remain focused on delivering appropriate risk-adjusted returns to our investors. We have started our third decade of managing portfolios on a strong note, and in this report we will examine why we remain optimistic in the long term as well.

After discussing Q4 2023 financial market results, we will address three general themes important to TOPS portfolio returns and strategies:

- 1) Inflation Softening Opens the Door to a Rally
- 2) The Federal Reserve Pivots in December
- 3) Dissecting the Return Opportunity Ahead

Fourth Quarter and Year-To-Date Markets Review

Most equity indexes saw positive returns in the fourth quarter. Value stocks (S&P 500 Value) outperformed growth stocks (S&P 500 Growth), returning +13.6% and +10.1%, respectively. Small cap (S&P 600, +15.1%) outperformed midcap (S&P 400, 11.7%). Developed international (MSCI EAFE) returned +10.4%, outpacing emerging markets (MSCI Emerging Markets), which returned +7.9%. Real estate (MSCI World Real Estate, -18.1%) was up in the fourth quarter, while natural resources (S&P GSSI NA Natural Resources, -1.2%) was the only equity that saw negative returns.

After a strong finish to the year in the fourth quarter, equities finished the year with positive returns. Growth stocks (S&P 500 Growth) outperformed value stocks (S&P 500 Value), returning +30.0% and +22.2%, respectively. Midcap (S&P 400, +16.4%) slightly outperformed small cap equities (S&P 600, +16.1%). Developed international (MSCI EAFE) returned +18.2% and outpaced emerging markets (MSCI Emerging Markets) for the year, which returned +9.8%. Real estate (MSCI World Real Estate) was up +10.1%, while natural resources (S&P GSSI NA Natural Resources) are the laggard for the year, but still positive, up +3.7%.

Fixed income also had positive fourth quarter returns. The Bloomberg US TIPS Index has a +4.7% return, while the Bloomberg US Aggregate Bond Index was up +6.8% for the quarter. Credit (ICE BofA US Corporate Index, +7.9%) outperformed government (ICE BofA US Treasury Index, +5.7%). In the fourth quarter, investment grade corporates (iBoxx USD Liquid Investment Grade Index, +9.9%), high yield (Solactive USD High Yield Corporates, +7.1%), and international bond indexes (Bloomberg Global Aggregate ex-USD, +6.4%) were all positive. The 10-year US Treasury yield decreased from 4.59% to 3.88% in the fourth quarter.

For the year, Bloomberg US Aggregate Bond Index returned +5.5%, outpacing the Bloomberg US TIPS Index, which returned +3.9%. Credit (ICE BofA US Corporate Index, +8.4%) outperformed government (ICE BofA US Treasury Index, 3.9%) for the year. High yield (Solactive USD High Yield Corporates, +13.1%), investment grade corporates (iBoxx USD Liquid Investment Grade Index, +9.4%), and international bond indexes (Bloomberg Global Aggregate ex-USD, +8.7%) were all positive this year.

Inflation Softening Opens the Door to a Rally

We have written quite a bit this year about conflicting factors affecting markets. As factors shifted in the 4th quarter, markets rallied through year end. In the coming sections we will review some of these in detail, including the recent stance of the Federal Reserve and what market inputs foretell for 2024. None of this would be possible, however, without a recent softening in inflation as a dominant factor relieving market stress.

The Fed's preferred inflationary measure is the Personal Consumption Expenditures Deflator (PCED). According to Yardeni Research, "the headline PCED inflation rate peaked at 7.1% y/y during June 2022. By December 2022, it was down to 5.4%. It fell below 3.0% to 2.6% (ahead of schedule) during November of this year." Anyone who knew that information ahead of time would have been able to reap unending profits. However, throughout the ongoing inflationary cycle, no one knew for sure how persistent inflation would be or how much artillery the Fed was going to be willing to (or required to) deploy.

As it turned out, the Fed did unleash a significant quantitative tightening package over the last two years. Fortunately for investors, two key things happened though. First, recent signs show inflation is actually subsiding. So, the medicine worked. Second, it appears the collateral damage of the medicine (quantitative tightening) is relatively contained. Those factors, along with a building story that the Fed will have a chance to ring the victory bell in 2024 as they lower rates amidst a soft-landing inflationary environment, proved to be the recipe for an old-fashioned rally. Now that stocks have rallied, it is important to look ahead and ask, "what next?" We will do that in the following sections.

The Federal Reserve Pivots in December

We have been following the Federal Reserve's ongoing battle with inflation since they started to raise their Fed Funds Rate target in March of 2022, and we have consistently highlighted the meaningful impact Fed positioning has had on stocks and bonds. Throughout much of the year, we have been on a Fed tightening plan, where the Federal Reserve has raised rates about another 1%, on top of the increases of over 4% in 2022.

While 2022 was a story of clear weakness in stocks and bonds amidst marked rate increases and little sign of an end in sight, 2023 has been a year of consistent speculation regarding when the Federal Reserve will "pause" or "decrease" rates. As intuition may lead you to surmise, markets were hoping for at least a pause and dreaming of a decrease in 2023. Well, we got our pause in 2023, as July 2023 was the last increase the Fed has made, to a rate target of the current 5.5%.

Driving the year-end rally we experienced in stocks and bonds, in late October market sentiment started to shift towards expectations of coming rate decreases by the Fed. A combination of bond markets, consensus analysts and eventually dovish comments by the Fed in December, provided the architecture necessary for markets to build a positive momentum story. November returns were tremendous, with U.S. large cap, mid-cap, small cap, and international stocks all gaining about 9% for the month. December was a strong month as well, with small caps gaining an astounding nearly 13%, followed closely by mid-caps adding another nearly 9%.

Where does the Fed go from here? Well, markets have priced in a rosy picture. While the Fed is predicting about three rate decreases in 2024, markets have built in as many as six rate cuts (CBSnews Moneywatch– January 5, 2024). The Fed's predictions have historically been relatively inaccurate though, and markets often get ahead of things. As leading indicators, stock and bond markets have generally had a mixed record of being on the leading or bleeding edge.

We would caution investors from taking big bets on either the Fed's or market's (bond or stock) indications. We agree the data does point towards likely rate decreases in 2024; however, the Fed has repeatedly reminded us they are data dependent. Likewise, they tend to be more reliant on historical data. Similarly, we believe Chair Powell is more concerned about decreasing too early and inflation returning than he is about staying in a pause and causing a mild economic slowdown. We have covered this reasoning in previous messages.

On the bond side of our portfolios, we placed some trades towards the end of 2023 for four of our more conservative portfolios to begin a shift away from a defensive interest rate risk position. However, we remain relatively defensive, as we don't feel the marginal reward opportunity outweighs the risk to fully normalize our interest rate standing towards our long-term target yet. Fortunately, with short term rates remaining elevated for now, we are earning a nice yield in our current portfolios and still stand to benefit to some degree from potential rate decreases, even if they occur at the short end of the yield curve.

On the equity side, our assumptions are that the rate environment will be friendlier overall to stocks in the short and intermediate term than we have experienced over the last two years. It is unlikely for interest rates to return to pre-pandemic rates, where low rates were a significant contributor to growth stock outperformance. However, things should be more friendly to stocks than the rate rise environment of much of the last two years.

Dissecting the Return Opportunity Going Forward

While we are consistently tracking performance, which enables us to review things through the rearview mirror, our focus remains on looking through the windshield. What is done is done, and the value we can add for our investors now lies in our decisions going forward. Mark Twain once said, "history does not repeat itself, but it rhymes." We would not argue with Mr. Twain that many things are likely to rhyme, as our review of past markets is a valuable input in our decision-making process. However, as we look ahead to markets in the next 3-10 years, we feel some of the major recent themes are unlikely to repeat themselves in the same manner. We can look at this from the viewpoint of bonds first, then stocks.

Three years ago, the 10-year U.S. Treasury yield was about 1%. This point was near the bottom of a long downward trend in rates from nearly 16% in 1981. As a reminder, when yields fall, bond prices for existing bonds rise. Therefore, bond holders were able to enjoy relatively favorable bond returns for over two decades. However, as rates fell below 3% in 2011, new bond buyers were unable to repurchase bonds at attractive rates. As yields fell further to 1%, the benefits for existing bondholders continued to fall off and bond investors were largely left with a relatively dismal bond investing opportunity. Not only were bondholders receiving low rates of interest during this period, but they also risked losing value if/when bond yields eventually rose again.

Fortunately for our investors, we recognized the risk of potentially higher yields. To protect our investors from risk of significant loss, we reduced our interest rate risk by shortening the duration (a measure of interest rate risk heavily driven by maturity of the bond), diversifying heavily, and utilizing unique tools like TIPS bonds and floating rate bonds, which proved to add value when rates eventually did rise. This strategy worked remarkably, turning out to be the largest outperformance vs. the U.S. Aggregate Bond index we have had in TOPS since inception.

Looking forward, the bond market promises a different experience. The 10-Year U.S. Treasury currently yields a respectable 4%. At 4%, investors are receiving a decent yield. Likewise, there is generally less risk of severe rate increases when the 10 year is at 4% than when it is at 1% (there's simply 3% less rates can mathematically go up). We feel the current environment provides a brighter picture than we were able to paint three years ago. Even if we see the Federal Reserve cut short term rates, the current yield curve still provides much more opportunity than the last cycle. We feel prepared to continue to balance risk and reward for our investors in the coming years, with more juice to work with in the oranges.

The equity side of the equation is equally different. We are coming off a very strong year for stocks, and another year of leadership from the MegaCap-8 largest stocks in the S&P 500 (Alphabet, Amazon, Apple, Meta, Microsoft, Netflix, Nvidia, and Tesla). According to Yardeni Research, the MegaCap-8 advanced 75.2% over the course of 2023, outpacing the 24.2% gain logged by the S&P 500. This strong performance has many asking, has the MegaCap-8 risen too far, too fast? Well, the +75.2% return of 2023 was largely a recovery from the 41.1% loss of the M8 in 2022 to finish +1.7% over the two-year period. Yardeni highlights that the M8's total market capitalization is almost exactly where it was at the beginning of 2022, a two-year period where forward earnings have increased +23%.

Are the MegaCap-8 overvalued now? Well, the 27.9 forward P/E for the M8 does exceed the 19.5 for the S&P 500. And the forward P/E for the M8 has actually fallen 13.6% from 32.3 in January 2022. Despite the fact that revenue and earnings for the M8 companies are growing faster than the S&P 500 overall, the forward P/E for the S&P 500 (excluding the M8 stocks) has only fallen 7.3% in the last two years from 19.1 to 17.7. (Yardeni: Forward P/E" refers to the multiple calculated using forward earnings. "Forward earnings" is the time-weighted average of analysts' earnings estimates for the current and following years.)

Admittedly, there is some risk in providing data on any subset group of stocks. Nvidia is a chipmaker who was up +238.9% in 2023 and finished up +68.4% annualized for the last 2 years. Netflix is a media provider who was up +65.1% in 2023, but down -19.2% over the last 2 years. The returns for the S&P 500 in the last one and two years were +24.2% and +0.1% respectively (Yardeni). As we look at the story of the M8 and the S&P 500, trying to extrapolate out what lies ahead, we can see why the picture is not so clear. It is not a clear story of multiple expansion that will revert or earnings growth that cannot repeat. Likewise, as we have posited before, if these are some of the greatest companies in the history of the world, shouldn't they be trading at higher multiples than the average S&P 500 stock? That would make sense.

So, we do not have the answer to whether the M8 will continue to lead the S&P 500, and the world, higher in 2024 (or beyond). If we look at the S&P 500 overall, the numbers do portend repeating the abnormally strong performance it has had over the past 10 years would be very difficult. Jordan Brooks, co-head of the macro strategies group at AQR Capital Management recently did some important S&P 500 math. Here is an excerpt regarding Brooks' research from *Chief Investment Officer (December 2023)*: "According to Brooks' findings, over the past decade the excess-of-cash return on the S&P 500 averaged 11.9% per year. This puts the past decade well above the 90th percentile of rolling 10-year performance across global developed equity markets since 1950. The risk-adjusted return, or Sharpe ratio, of the market over this period, Brooks writes, was 0.82—nearly double the postwar average for global developed equity markets." Further, "Over a longer horizon, what matters is the income you get from dividend yield as well as how much firms grow earnings by, and ultimately the valuation investors are willing to place on those earnings. If you expect stocks to outperform cash by 12% over the next 10 years, you would need a combination of real earnings growth on par with the best-ever decade, and you'd need to see P/E [price-earnings] ratios well above the tech bubble. Monetary policy doesn't change that equation."

The main point is it would be really hard for the S&P 500 to repeat the experience of the last ten years over the next decade. Not impossible, but unlikely. Does this mean 2024 will be a dud for the S&P 500? Not necessarily. As we have often highlighted, valuations are historically a leading predictor of long-term relative returns, but a poor predictor of short-term returns. Momentum can be a strong factor and there is a lot of momentum for the economy and stocks coming out of 2023. Dr. Jeremy Siegel thinks we could see returns of 8-10% for the S&P 500 in 2024 (according to 1/2/2024 CNBC interview). However, this is where we get to the main point of our story. Dr. Siegel also highlighted that the P/E ratio of the Russell 1000 Growth is nearly double that of the Russell 1000 Value. Given this historically wide dispersion, he feels value stocks could see 15% in 2024.

Like Dr. Siegel, we feel the moral to the story is there may be more opportunity in many of the other major asset classes, as opposed to the S&P 500. Research we run through Bloomberg shows the S&P 600 small cap index is trading in the 29th percentile for Forward P/E ratios, compared to the monthly values going back each month to July 2005. The S&P 500 Growth index is in the 93rd percentile. International stocks, represented by the MSCI EAFE index, are similarly more attractive, trading near the 50th percentile. Emerging markets appear toward the 80th percentile, yet we place less reliance on the notoriously difficult to predict Forward Earnings for EM. Small caps look much more attractive than large caps, based on valuations alone.

We thought it was important to share this “science” with our investors. The most important science of investing is simply that the main driver of growth is compounding though, not stock picking or market timing. Investing is both an “art” and a “science” though. As Morgan Housel recently highlighted in his tremendous book *Same as Ever*, “If you've relied on data and logic alone to make sense of the economy, you'd have been confused for 100 years straight.” It's important, as professional investors, for us to apply the “art” we have learned in managing portfolios across multiple decades.

Lastly, we plan to continue to control risk in our portfolios, as we prepare for what we call “Z factors.” These are surprise events that will inevitably occur. Just like no one predicted the pandemic and few expected Russia to invade Ukraine so aggressively. Investor Jim Grant, who at one point nearly became the Fed Chair, put it this way in warning investors from putting too much emphasis on the science:

“To suppose that the value of a common stock is determined purely by a corporation's earnings discounted by the relevant interest rates and adjusted for the marginal tax rate is to forget that people have burned witches, gone to war on a whim, risen to the defense of Joseph Stalin and believed Orson Wells when he told them over the radio that the Martians had landed.”

We are very likely to encounter Z factors and we can be almost assured investors will act irrationally. The famous economist John Maynard Keynes said, “the market can stay irrational longer than you can stay solvent.” What we have done and strive to continue to do is steer our investors through this maze of numbers, predictions, surprises, victories, and failures towards appropriate long-term results by using both science and art in our strategies.

TOPS Portfolio Strategies

The TOPS portfolios are managed through a disciplined, proven, strategic allocation process. As our investors are aware, this process is implemented primarily using index-based exchange traded funds (ETFs). Indexes have historically outperformed most actively managed mutual funds strategies. According to the most recent S&P Index vs. Active Mid-Year 2023 report (SPIVA), 93.1% of active funds have lost to the S&P 1500 index over the past 20 years on an absolute basis and 97.4% have lost on a risk-adjusted basis (risk-adjusted results account for volatility of the investment). We believe that this research continues to support our premise to utilize index-based ETFs to implement our risk adjusted strategies. In other words, when we decided over 20 years ago to start investing in ETFs, we chose the solution which has been successful over 97% of the time in the last 20 years (other asset classes vary, but nearly all are over 90%), as opposed to the preeminent choice at the time of traditional actively managed mutual funds (which ended up with nearly all of those choices losing). We could not be more pleased that we turned out to be correct in this regard. This decision has benefited our investors and helped us to continue to grow as one of the longest running and largest independent ETF portfolio strategists in the country. Our portfolio management team has direct responsibilities of approximately \$7 billion in assets now, and oversight responsibilities of approximately \$9 billion in total.

As we look forward, we don't see any reason to expect these numbers to shift direction. We continue to be proponents of index-based ETFs for their many merits, including index tracking, liquidity, transparency, tax efficiency and relatively low cost. We are, however, focused on the risk adjusted nuance of index investing. Likewise, we believe our approach of diversified index portfolios provides a better risk adjusted opportunity going forward than the simplest broad indexes alone.

According to AllianceBernstein, the largest 7 stocks (often called the “Magnificent 7”) now make up 28% of the broad Russell 1000 index and 19% of the broad MSCI World index. As such, the incredible success of these stocks has resulted in these broad indexes becoming more weighted towards larger market cap, heavier concentration, more growth orientation, and more U.S. weighting. In other words, the decision to purchase these simple broad-based indexes alone is a much different choice now than it was 10 years ago.

In our process, we place a significant amount of effort on balancing the risk of our allocations by further diversifying our portfolios into value and growth, small and mid, and various international and other asset classes. Also, we utilize our proven system of ranges and targets to adjust our exposure to each sub asset class based on thousands of variables we monitor through various research strategies we employ. We believe this system provides our investors not only with a

better risk-adjusted return opportunity, but, given valuations, it may provide a better absolute return opportunity than simple broad based global indexes (such as MSCI World).

As an example, in only the first trading day of 2024, value stocks outperformed growth stocks by over 2%. We have a lot more trading days left, but we are continuing to see opportunity in our style of investing. Now in our third decade of managing client portfolios, with consistent staff over that time, we are likely to lean heavily on our experience in 2024. Thank you for your continued trust in us to manage your assets.

Managed Risk Strategy Comments

In 2023, despite investors' fears of a recession, resilient corporate earnings and an apparent end to the Federal Reserve's interest rate hikes led stocks to a strong rally. Uncertainty took over on several occasions throughout the year as a mix of concerns over the Fed's policy, inflation, and potential softness in the job market took center stage. As the funds endeavored to limit their volatility through these episodes, they implemented short futures positions to protect against further downside. However, as equity markets went on to swift recoveries in each of these instances, the defensive positioning resulted in a net cost to the funds, predominantly concentrated in Q1 of 2023 and Q4 of 2023.

The funds started the year with considerable equity hedge positions in place, as a response to the heightened market volatility from 2022. In mid-March, the Federal Reserve reiterated its commitment to aggressive tightening of monetary policy if needed. This indication, although consistent with previous Fed comments, triggered fears of an economic slowdown, causing markets to drop and market volatility to spike notably. The funds responded to the increase in volatility by placing additional short futures positions to reduce equity exposure. However, the temporary panic dissipated as markets recovered quickly from the Federal Reserve news and increased rapidly. Due to the defensive positioning of the funds, they did not fully participate in the rally.

After a relatively quiet upward trending Q2 and Q3, in late October, a series of economic data releases showed weaker-than-expected consumer spending and job growth. Combined with lingering concerns about inflation, these reports led to renewed fears of an economic slowdown, prompting a spike in volatility. The funds added hedge positions to reduce equity exposure as volatility increased. The markets soon rallied though, in response to the release of major tech company earnings reports surpassing expectations. As the funds were positioned defensively, they did not fully participate in the swift market rally. Thanks to the improving market conditions, the funds gradually took off their short futures positions throughout November and ended the year with maximum equity allocations.

The S&P 500[®] Index is an unmanaged composite of 500 large capitalization companies. This index is widely used by professional investors as a performance benchmark for large-cap stocks.

The S&P MidCap 400[®] measures the mid-cap segment of the U.S. equity market. The index is designed to be an investable portfolio of companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

The S&P SmallCap 600[®] measures the small cap segment of the U.S. equity market. The index is designed to be an investable portfolio of companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

The Bloomberg Capital Aggregate Bond Index is weighted according to market capitalization, which means the securities represented in the index are weighted according to the market size of the bond category. Treasury securities, mortgage-backed securities (MBS) foreign bonds, government agency bonds and corporate bonds are some of the categories included in the index. The bonds represented are medium term with an average maturity of about 4.57 years. In all, the index represents about 8,200 fixed-income securities with a total value of approximately \$15 trillion (about 43% of the total U.S. bond market).

The Bloomberg Capital High Yield Very Liquid Index includes publicly issued U.S. dollar denominated, non-investment grade, fixed-rate, taxable corporate bonds that have a remaining maturity of at least one year, regardless of optionality, are rated high-yield (Ba1/BB+/BB+ or below) using the middle rating of Moody's, S&P, and Fitch, respectively (before July 1, 2005, the lower of Moody's and S&P was used), and have \$600 million or more of outstanding face value.

The Bloomberg Capital U.S. Credit Bond Index measures the performance of investment grade corporate debt and agency bonds that are dollar denominated and have a remaining maturity of greater than one year.

The Bloomberg Capital Intermediate U.S. Treasury Index includes all publicly issued, U.S. Treasury securities that have a remaining maturity of greater than or equal to 1 year and less than 10 years, are rated investment grade, and have \$250 million or more of outstanding face value.

The Bloomberg Capital U.S. Treasury Inflation Protected Securities (TIPS) Index includes all publicly issued, U.S. Treasury inflation-protected securities that have at least one year remaining to maturity, are rated investment grade, and have \$250 million or more of outstanding face value.

The PIMCO 0-5 Year High Yield Corporate Bond Index ETF tracks the BofA Merrill Lynch 0-5 Year US High Yield Constrained Index. The BofA Merrill Lynch 0-5 Year US High Yield Constrained Index is an unmanaged index comprised of US dollar denominated below investment grade corporate debt securities publicly issued in the US domestic market with remaining maturities of less than 5 years.

You cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges. Past Performance is no guarantee of future results. Past performance does not guarantee future results, and current performance may be lower or higher than the data quoted.

3107-NLD-01/26/2024

TOPS[®] Managed Risk Flex ETF Portfolio
Portfolio Review (Unaudited)
December 31, 2023

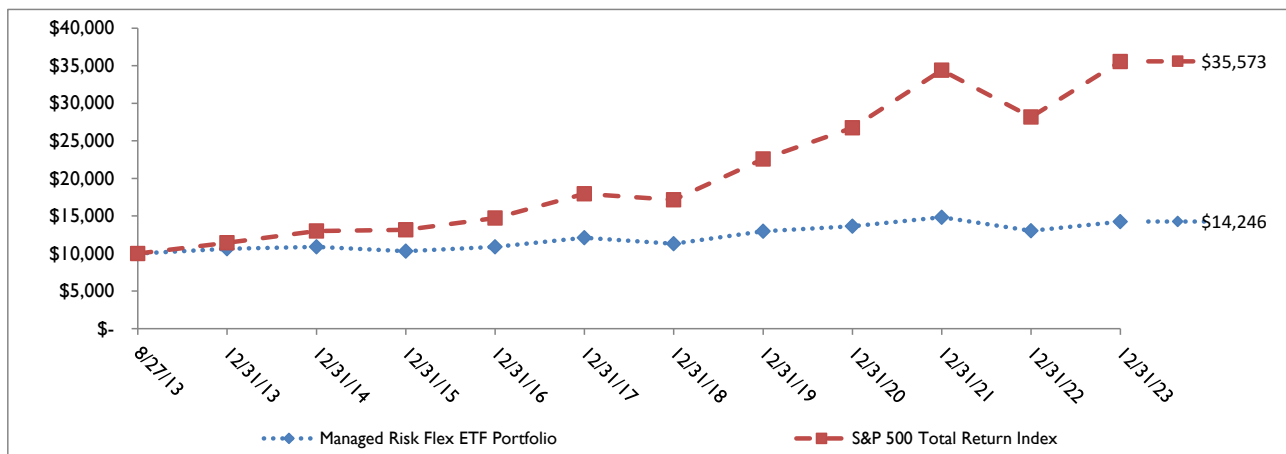
The Portfolio's Average Annual Total Return through December 31, 2023*, as compared to its benchmark:

	One Year	Five Year	Ten Year	Performance Since Inception (8/27/13)
TOPS Managed Risk Flex ETF Portfolio	9.28%	4.71%	2.98%	3.48%
S&P 500 Total Return Index**	26.29%	15.69%	12.03%	13.05%

* The performance data quoted is historical. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or on the redemption of Portfolio shares as well as other charges and expenses of the insurance contract, or separate account. Per the fee table in the most recent prospectus, the Portfolio's total annual operating expense ratios including acquired fund fees and expenses is 0.96%. For performance information current to the most recent month-end, please call 1-855-572-5945.

** The S&P 500 Total Return Index is an unmanaged market capitalization-weighted index of 500 of the largest capitalized U.S. domiciled companies. Index returns assume reinvestment of dividends. Investors may not invest in the index directly; unlike the Portfolio's returns, the Index does not reflect any fees or expenses.

Comparison of the Change in Value of a \$10,000 Investment



Holdings by Asset Class as of December 31, 2023

	% of Net Assets
Exchange-Traded Funds - Equity	49.5%
Exchange-Traded Funds - Fixed Income	38.8%
Short-Term Investments	11.6%
Other Assets in Excess of Liabilities	0.1%
	<u>100.0%</u>

Please refer to the Schedule of Investments in this annual report for a detailed listing of the Portfolio's holdings.

TOPS® Managed Risk Flex ETF Portfolio
Schedule of Investments
December 31, 2023

Shares		Fair Value
	EXCHANGE-TRADED FUNDS — 88.3%	
	EQUITY - 49.5%	
97,170	FlexShares Global Upstream Natural Resources Index Fund	\$ 3,979,111
219,475	iShares Global REIT ETF	5,306,906
24,372	iShares MSCI Emerging Markets ex China ETF	1,350,452
163,344	SPDR Portfolio S&P 400 Mid Cap ETF ^(a)	7,958,120
40,985	SPDR Portfolio S&P 500 Growth ETF	2,666,484
172,208	SPDR Portfolio S&P 500 Value ETF	8,030,059
187,621	SPDR Portfolio S&P 600 Small Cap ETF	7,913,854
279,114	Vanguard FTSE Developed Markets ETF	13,369,561
98,325	Vanguard FTSE Emerging Markets ETF	4,041,157
36,706	Vanguard S&P 500 ETF	16,033,181
93,478	Wisdomtree Emerging Markets EX-State-Owned Enterprises Fund	2,699,645
		73,348,530
	FIXED INCOME - 38.8%	
84,199	iShares iBoxx \$ Investment Grade Corporate Bond ETF	9,317,461
43,857	SPDR Blbg Investment Grade Floating Rate ETF	1,341,586
360,071	SPDR Portfolio Short Term Corporate Bond ETF	10,722,914
158,006	VanEck J. P. Morgan EM Local Currency Bond ETF	4,005,452
45,017	Vanguard Intermediate-Term Treasury ETF	2,670,408
57,689	Vanguard Mortgage-Backed Securities ETF ^(a)	2,674,462
281,763	Vanguard Short-Term Inflation-Protected Securities ETF	13,380,925
114,877	Vanguard Short-Term Treasury ETF	6,700,775
26,947	Vanguard Total International Bond ETF	1,330,239
149,594	Xtrackers USD High Yield Corporate Bond ETF ^(a)	5,318,067
		57,462,289
	TOTAL EXCHANGE-TRADED FUNDS (Cost \$116,491,797)	130,810,819
Shares		Fair Value
	SHORT-TERM INVESTMENTS — 11.6%	
	COLLATERAL FOR SECURITIES LOANED - 0.0%^(b)	
74,571	Federated Hermes Government Obligations Fund, Institutional Class, 5.28% (Cost \$74,571) ^(c)	74,571

See accompanying notes to financial statements.

TOPS MANAGED RISK FLEX ETF PORTFOLIO
Schedule of Investments (Unaudited)
December 31, 2023

Shares		Fair Value
	SHORT-TERM INVESTMENTS — 11.6% (Continued)	
	MONEY MARKET FUNDS - 11.6%	
17,172,616	Government & Agency Portfolio, Institutional Class, 5.27% (Cost \$17,172,616) ^(c)	\$ 17,172,616
	TOTAL SHORT-TERM INVESTMENTS (Cost \$17,247,187)	17,247,187
	TOTAL INVESTMENTS - 99.9% (Cost \$133,738,984)	\$ 148,058,006
	OTHER ASSETS IN EXCESS OF LIABILITIES- 0.1%	217,732
	NET ASSETS - 100.0%	\$ 148,275,738

OPEN FUTURES CONTRACTS

Number of Contracts	Open Long Futures Contracts	Broker	Expiration	Notional Amount ^(d)	Value and Unrealized Appreciation
65	CBOT 5 Year US Treasury Note	Bank of America Merrill Lynch	03/28/2024	\$ 7,070,273	\$ 155,039
9	CME E-mini Russell 2000 Index Futures	Bank of America Merrill Lynch	03/15/2024	921,465	65,370
13	CME E-Mini Standard & Poor's 500 Index Future	Bank of America Merrill Lynch	03/15/2024	3,133,000	96,048
4	CME E-Mini Standard & Poor's MidCap 400 Index	Bank of America Merrill Lynch	03/15/2024	1,123,800	59,255
15	ICE US mini MSCI EAFE Index Futures	Bank of America Merrill Lynch	03/15/2024	1,689,300	62,050
22	ICE US MSCI Emerging Markets EM Index Futures	Bank of America Merrill Lynch	03/15/2024	1,137,070	48,970
	TOTAL FUTURES CONTRACTS				\$ 486,732

CBOT	- Chicago Board of Trade
CME	- Chicago Mercantile Exchange
ETF	- Exchange-Traded Fund
ICE	- Intercontinental Exchange
MSCI	- Morgan Stanley Capital International
REIT	- Real Estate Investment Trust
S&P	- Standard & Poor's
SPDR	- Standard & Poor's Depository Receipt

^(a) All or a portion of this security is on loan. Total loaned securities had a value of \$5,203,602 at December 31, 2023. The loaned securities were secured with cash collateral of \$74,571 and non-cash collateral of \$5,237,761. The non-cash collateral consists of short-term investments and long-term bonds and is held for benefit of the Portfolio at the Portfolio's custodian. The Portfolio cannot pledge or resell the collateral.

^(b) Percentage rounds to less than 0.1%.

^(c) Rate disclosed is the seven day effective yield as of December 31, 2023.

^(d) The amounts shown are the underlying reference notional amounts to stock exchange indices, equities and treasury notes upon which the fair value of the futures contracts held by the Portfolio are based. Notional values do not represent the current fair value of, and are not necessarily indicative of the future cash flows of the Portfolio's futures contracts. Further, the underlying price changes in relation to the variables specified by the notional values affects the fair value of these derivative financial instruments. The notional values as set forth within this schedule do not purport to represent economic value at risk to the Portfolio.

TOPS[®] Managed Risk Flex ETF Portfolio

Statement of Assets and Liabilities

December 31, 2023

Assets:

Investments in securities, at cost	\$	133,738,984
Investments in securities, at value (Securities on loan \$5,203,602)	\$	148,058,006
Cash		88,879
Receivable for securities sold		651,675
Receivable for Portfolio shares sold		755
Unrealized appreciation on futures contracts		486,732
Interest and dividends receivable		72,822
Total Assets		149,358,869

Liabilities:

Due to Broker		80,366
Collateral on securities loaned		74,571
Payable for securities purchased		818,478
Payable for Portfolio shares redeemed		10,306
Accrued distribution (12b-1) fees		55,928
Accrued investment advisory fees		37,285
Payable to related parties and administrative service fees		6,197
Total Liabilities		1,083,131

Net Assets

\$ 148,275,738

Net Assets Consist Of:

Paid-in capital	\$	130,309,835
Accumulated earnings		17,965,903

Net Assets

\$ 148,275,738

Total shares of beneficial interest outstanding (\$0 par value, unlimited shares authorized)		12,045,230
---	--	------------

Net asset value, offering and redemption price per share (Net assets ÷ Total shares of beneficial interest outstanding)	\$	12.31
--	----	-------

TOPS[®] Managed Risk Flex ETF Portfolio

Statement of Operations

For the Year Ended December 31, 2023

Investment Income:

Dividend income	\$	3,775,386
Interest income		837,257
Securities lending income		66,112
Total Investment Income		<u>4,678,755</u>

Expenses:

Investment advisory fees		434,172
Distribution fees (12b-1)		651,257
Related parties and administrative service fees		160,404
Total Expenses		<u>1,245,833</u>
Net Investment Income		<u>3,432,922</u>

Realized and Unrealized Gain (Loss) on Investments and Futures Contracts:

Net realized gain (loss) on:		
Investments		4,193,718
Futures contracts		(2,320,412)
Total net realized gain		<u>1,873,306</u>
Net change in unrealized appreciation (depreciation) on:		
Investments		7,625,608
Futures contracts		(106,111)
Total unrealized appreciation		<u>7,519,497</u>
Net Realized and Unrealized Gain on Investments and Futures Contracts		<u>9,392,803</u>

Net Increase in Net Assets Resulting from Operations	\$	<u>12,825,725</u>
---	----	-------------------

TOPS[®] Managed Risk Flex ETF Portfolio

Statements of Changes in Net Assets

	Year Ended December 31, 2023	Year Ended December 31, 2022
Increase (Decrease) in Net Assets:		
From Operations:		
Net investment income	\$ 3,432,922	\$ 2,430,252
Net realized gain on investments and futures contracts	1,873,306	831,361
Net change in unrealized appreciation (depreciation) on investments and futures contracts	7,519,497	(22,950,233)
Net increase (decrease) in net assets resulting from operations	<u>12,825,725</u>	<u>(19,688,620)</u>
From Distributions to Shareholders:		
Total distributions paid	(3,042,149)	(1,987,271)
Total distributions to shareholders	<u>(3,042,149)</u>	<u>(1,987,271)</u>
From Shares of Beneficial Interest:		
Proceeds from shares sold	6,822,145	9,463,000
Reinvestment of distributions	3,042,149	1,987,271
Cost of shares redeemed	(13,724,492)	(10,995,231)
Net increase (decrease) in net assets from share transactions of beneficial interest	<u>(3,860,198)</u>	<u>455,040</u>
Total Increase (Decrease) In Net Assets	<u>5,923,378</u>	<u>(21,220,851)</u>
Net Assets:		
Beginning of year	142,352,360	163,573,211
End of year	<u>\$ 148,275,738</u>	<u>\$ 142,352,360</u>
SHARE ACTIVITY		
Shares sold	574,463	780,563
Shares reinvested	260,904	171,909
Shares redeemed	(1,155,805)	(908,348)
Net increase (decrease) in shares of beneficial interest outstanding	<u>(320,438)</u>	<u>44,124</u>

TOPS[®] Managed Risk Flex ETF Portfolio

Financial Highlights

Selected data based on a share outstanding throughout each year indicated.

	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019
Net asset value, beginning of year	\$ 11.51	\$ 13.28	\$ 12.31	\$ 11.98	\$ 10.83
Income (loss) from investment operations:					
Net investment income (a)(b)	0.28	0.19	0.16	0.11	0.21
Net realized and unrealized gain (loss) on investments and futures contracts	0.77	(1.80)	0.92	0.48	1.34
Total income (loss) from investment operations	1.05	(1.61)	1.08	0.59	1.55
Less distributions from:					
Net investment income	(0.20)	(0.16)	(0.11)	(0.21)	(0.19)
Net realized gain	(0.05)	-	-	(0.05)	(0.21)
Total distributions	(0.25)	(0.16)	(0.11)	(0.26)	(0.40)
Net asset value, end of year	\$ 12.31	\$ 11.51	\$ 13.28	\$ 12.31	\$ 11.98
Total return (c)	9.28%	(12.12)%	8.79%	5.15%	14.57%
Ratios and Supplemental Data:					
Net assets, end of year (in 000's)	\$ 148,276	\$ 142,352	\$ 163,573	\$ 153,684	\$ 152,360
Ratio of expenses to average net assets (d)	0.86%	0.86%	0.86%	0.86%	0.86%
Ratio of net investment income to average net assets (b)(d)	2.37%	1.63%	1.25%	0.92%	1.84%
Portfolio turnover rate	20%	17%	11%	30%	40%

- (a) Net investment income has been calculated using the average shares method, which more appropriately presents the per share data for the year.
- (b) Recognition of net investment income by the Portfolio is affected by the timing of the declaration of dividends by the underlying investment companies in which the Portfolio invests.
- (c) Total returns are historical and assume changes in share price and reinvestment of dividends and capital gains distributions, if any. Total returns for periods of less than one year are not annualized.
- (d) Does not include the expenses of the underlying investment companies in which the Portfolio invests.

TOPS® Managed Risk Flex ETF Portfolio
Notes to Financial Statements
December 31, 2023

I. ORGANIZATION

The TOPS® Managed Risk Flex ETF Portfolio (the “Portfolio”) is a diversified series of shares of beneficial interest of Northern Lights Variable Trust (the “Trust”), a statutory trust organized on November 2, 2005 under the laws of the State of Delaware and registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Portfolio is intended to be a funding vehicle for variable annuity contracts and flexible premium variable life insurance policies offered by the separate accounts of various insurance companies. The assets of the Portfolio are segregated and a shareholder's interest is limited to the Portfolio in which shares are held. The Portfolio pays its own expenses. The Portfolio seeks to provide income and capital appreciation with less volatility than the fixed income and equity markets as a whole. The TOPS® Managed Risk Flex Portfolio is “fund of funds”, in that the Fund will generally invest in other investment companies. The Portfolio commenced operations on August 27, 2013.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed by the Portfolio in the preparation of its financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. The Portfolio is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946 “Financial Services – Investment Companies”, including Accounting Standards Update 2013-08.

Securities Valuation – Securities listed on an exchange are valued at the last reported sale price at the close of the regular trading session of the primary exchange on the business day the value is being determined, or in the case of securities listed on NASDAQ at the NASDAQ Official Closing Price (“NOCP”). In the absence of a sale, such securities shall be valued at the mean between the current bid and ask prices on the primary exchange on the day of valuation. Short-term debt obligations having 60 days or less remaining until maturity, at time of purchase, may be valued at amortized cost. Futures and future options are valued at the final settled price or, in the absence of a settled price, at the last sale price on the day of valuation.

Valuation of Fund of Funds - The Portfolio may invest in portfolios of open-end investment companies. Open-end investment companies are valued at their respective net asset values as reported by such investment companies. Open-end investment companies value securities in their portfolios for which market quotations are readily available at their market values (generally the last reported sale price) and all other securities and assets at their fair value based on the methods established by the boards of directors or trustees of the open-end investment companies.

The Portfolio may hold securities, such as private investments, interests in commodity pools, other non-traded securities or temporarily illiquid securities, for which market quotations are not readily available or are determined to be unreliable. These securities are valued using the “fair value” procedures approved by the Board. The Board has designated the adviser as its valuation designee (the “Valuation Designee”) to execute these procedures. The Board may also enlist third party consultants such as a valuation specialist at a public accounting firm, valuation consultant or financial officer of a security issuer on an as-needed basis to assist the Valuation Designee in determining a security-specific fair value. The Board is responsible for reviewing and approving fair value methodologies utilized by the Valuation Designee, approval of which shall be based upon whether the Valuation Designee followed the valuation procedures established by the Board.

TOPS[®] Managed Risk Flex ETF Portfolio
Notes to Financial Statements (Continued)
December 31, 2023

Fair Valuation Process – The applicable investments are valued by the Valuation Designee pursuant to valuation procedures established by the Board. For example, fair value determinations are required for the following securities: (i) securities for which market quotations are insufficient or not readily available on a particular business day (including securities for which there is a short and temporary lapse in the provision of a price by the regular pricing source); (ii) securities for which, in the judgment of the Valuation Designee, the prices or values available do not represent the fair value of the instrument; factors which may cause the Valuation Designee to make such a judgment include, but are not limited to, the following: only a bid price or an asked price is available; the spread between bid and asked prices is substantial; the frequency of sales; the thinness of the market; the size of reported trades; and actions of the securities markets, such as the suspension or limitation of trading; (iii) securities determined to be illiquid; and (iv) securities with respect to which an event that affects the value thereof has occurred (a “significant event”) since the closing prices were established on the principal exchange on which they are traded, but prior to a Portfolio’s calculation of its net asset value. Specifically, interests in commodity pools or managed futures pools are valued on a daily basis by reference to the closing market prices of each futures contract or other asset held by a pool, as adjusted for pool expenses. Restricted or illiquid securities, such as private investments or non-traded securities are valued based upon the current bid for the security from two or more independent dealers or other parties reasonably familiar with the facts and circumstances of the security (who should take into consideration all relevant factors as may be appropriate under the circumstances). If a current bid from such independent dealers or other independent parties is unavailable, the Valuation Designee shall determine the fair value of such security using the following factors: (i) the type of security; (ii) the cost at date of purchase; (iii) the size and nature of the Portfolio’s holdings; (iv) the discount from market value of unrestricted securities of the same class at the time of purchase and subsequent thereto; (v) information as to any transactions or offers with respect to the security; (vi) the nature and duration of restrictions on disposition of the security and the existence of any registration rights; (vii) how the yield of the security compares to similar securities of companies of similar or equal creditworthiness; (viii) the level of recent trades of similar or comparable securities; (ix) the liquidity characteristics of the security; (x) current market conditions; and (xi) the market value of any securities into which the security is convertible or exchangeable.

The Portfolio utilizes various methods to measure the fair value of all of its investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of input are:

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

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

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

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

TOPS[®] Managed Risk Flex ETF Portfolio
Notes to Financial Statements (Continued)
December 31, 2023

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following tables summarize the inputs used as of December 31, 2023 for the Portfolio's investments measured at fair value:

TOPS[®] Managed Risk Flex ETF Portfolio

Assets*	Level 1	Level 2	Level 3	Total
Exchange-Traded Funds	130,810,819	\$ -	\$ -	\$ 130,810,819
Short-Term Investments	17,247,187	-	-	17,247,187
Derivatives				
Futures Contracts **	486,732		-	486,732
Total	\$ 148,544,738	\$ -	\$ -	\$ 148,544,738

The Portfolio did not hold any Level 2 or 3 securities during the year ended December 31, 2023.

*Refer to the Schedule of Investments for security classifications.

**Cumulative unrealized appreciation of futures contracts is reported in the above table.

Security Transactions and Related Income – Security transactions are accounted for on the trade date. Interest income is recognized on an accrual basis. Discounts are accreted and premiums are amortized on securities purchased over the lives of the respective securities. Dividend income is recorded on the ex-dividend date. Realized gains or losses from sales of securities are determined by comparing the identified cost of the security lot sold with the net sales proceeds.

Dividends and Distributions to Shareholders – Dividends from net investment income and distributions from net realized capital gains if any, are declared and paid annually. Dividends and distributions to shareholders are recorded on the ex-date and are determined in accordance with federal income tax regulations, which may differ from GAAP. These “book/tax” differences are considered either temporary (e.g., deferred losses, capital loss carryforwards) or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the composition of net assets based on their federal tax-basis treatment; temporary differences do not require reclassification. These reclassifications have no effect on net assets, results from operations or net asset value per share of the Portfolio.

Federal Income Tax – It is the Portfolio's policy to continue to qualify as a regulated investment company by complying with the provisions of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all of its taxable income and net realized gains to shareholders. Therefore, no federal income tax provision is required.

The Portfolio will recognize the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has analyzed the Portfolio's tax position and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years ended December 31, 2020 through December 31, 2022 or expected to be taken in the Portfolio's December 31, 2023 year-end tax return. The Portfolio identified its major tax jurisdictions as U.S. federal, Ohio and foreign jurisdictions where the Portfolio makes significant investments. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

TOPS[®] Managed Risk Flex ETF Portfolio
Notes to Financial Statements (Continued)
December 31, 2023

Futures Contracts – The Portfolio is subject to equity price risk in the normal course of pursuing its investment objectives. The Portfolio may purchase or sell futures contracts to hedge against market risk and to reduce return volatility. During the period the futures contracts are open, changes in the value of the contracts are recognized as unrealized gains or losses by “marking to market” on a daily basis to reflect the market value of the contracts at the end of each day’s trading. Variation margin payments are received or made depending upon whether unrealized gains or losses are incurred. When the contracts are closed, the Portfolio recognizes a realized gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the Portfolio’s basis in the contract. If the Portfolio were unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Portfolio would continue to be subject to market risk with respect to the value of the contracts and continue to be required to maintain the margin deposits on the futures contracts. Risks may exceed amounts recognized in the Statement of Assets and Liabilities. With futures, there is minimal counterparty credit risk to the Portfolio since futures are exchange-traded and the exchange’s clearinghouse, as counterparty to all exchange-traded futures, guarantees the futures against default.

The following is a summary of the location of derivative investments on the Portfolio’s Statement of Asset and Liabilities as of December 31, 2023:

Contract Type/Primary Risk Exposure	Statement of Assets and Liabilities Location	Unrealized Appreciation (Depreciation)
Equity Risk	Unrealized appreciation on futures contracts	\$ 331,693
Interest Risk	Unrealized appreciation on futures contracts	155,039
Total		\$ 486,732

The following is a summary of the location of derivative investments on the Portfolio’s Statement of Operations for the year ended December 31, 2023:

Derivative Investment Type	Primary Risk Exposure	Location of Gain (Loss) on Derivatives recognized in income	Realized and Unrealized Gain (Loss) on Derivatives recognized in income
Futures Contracts	Equity Risk	Net realized loss on futures transactions	\$ (2,057,905)
Futures Contracts	Interest Risk	Net realized loss on futures transactions	(262,507)
Total			\$ (2,320,412)
Futures Contracts	Equity Risk	Net change in unrealized depreciation on futures contracts	\$ (268,693)
Futures Contracts	Interest Risk	Net change in unrealized appreciation on futures contracts	162,582
Total			\$ (106,111)

The notional value of the derivative instruments outstanding as of December 31, 2023 is disclosed in the Schedule of Investments and the amounts realized and changes in unrealized gains and losses on derivative instruments during the year as disclosed above and in the Statement of Operations serve as indicators of the volume of derivative activity for the Portfolio.

Exchange Traded Funds – The Portfolio may invest in exchange traded funds (“ETFs”). An ETF is a type of open-end fund, however, unlike a mutual fund, its shares are bought and sold on a securities exchange at market price and only certain financial institutions called authorized participants may buy and redeem shares of the ETF at net asset value. ETF shares can trade at either a premium or discount to net asset value. Each ETF like a mutual fund is subject to specific risks depending on the type of strategy (actively managed or passively tracking an index) and the composition of its underlying holdings. Investing in an ETF involves substantially the same risks as investing directly in the ETF’s underlying holdings. ETFs pay fees and incur operating expenses, which reduce the total return earned by the ETFs from their underlying holdings. An ETF may not achieve its investment objective or execute its investment strategy effectively, which may adversely affect the Portfolio’s performance.

TOPS[®] Managed Risk Flex ETF Portfolio
Notes to Financial Statements (Continued)
December 31, 2023

Expenses – Expenses of the Trust that are directly identifiable to a specific portfolio are charged to that portfolio. Expenses, which are not readily identifiable to a specific portfolio, are allocated in such a manner as deemed equitable, taking into consideration the nature and type of expense and the relative sizes of the portfolios in the Trust.

Indemnification – The Trust indemnifies its officers and Trustees for certain liabilities that may arise from the performance of their duties to the Trust. Additionally, in the normal course of business, the Portfolio enters into contracts that contain a variety of representations and warranties which provide general indemnities. The Portfolio's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Portfolio that have not yet occurred. However, based on experience, the Portfolio expects the risk of loss due to these warranties and indemnities to be remote.

Security Loans - The Portfolio has entered into a securities lending arrangement with The Bank of New York Mellon (the "Borrower"). Under the terms of the agreement, the Portfolio is authorized to loan securities to the Borrower. In exchange, the Funds receive cash and securities as collateral in the amount of at least 102% of the value of the securities loaned. The cash collateral is invested in short-term instruments as noted in the Schedule of Investments. Securities received as collateral are U.S. government securities; securities received as collateral, if any, are not recognized as portfolios assets. Although risk is mitigated by the collateral, the Portfolio could experience a delay in recovering its securities and possible loss of income or value if the Borrower fails to return them.

Gain or loss in the fair value of securities loaned that may occur during the term of the loan will be for the account of the Portfolio. The Portfolio has the right under the securities lending agreement to recover the securities from the Borrower on demand. If the fair value of the collateral falls below 102% plus accrued interest of the loaned securities, the lender's agent shall request additional collateral from the Borrower to bring the collateralization back to 102%. Under the terms of the securities lending agreement, the Portfolio is indemnified for such losses by the security lending agreement. Should the Borrower fail financially, the Portfolio has the right to repurchase the securities using the collateral in the open market.

The following table is a summary of the Portfolio's securities loaned and related collateral which are subject to a netting agreement as of December 31, 2023:

	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statements of Assets & Liabilities	Net Amounts of Assets Presented in the Statements of Assets & Liabilities	Gross Amounts Not Offset in the Statement of Assets & Liabilities *		
				Financial Instruments Received	Cash Collateral Received	
					Net Amount of Assets	
Assets:						
Description:						
Securities Loaned	\$ 5,203,602	\$ -	\$ 5,203,602	\$ 5,203,602	\$ -	\$ -
Total	\$ 5,203,602	\$ -	\$ 5,203,602	\$ 5,203,602	\$ -	\$ -

*The amount is limited to the securities loaned asset balance and accordingly, does not include excess collateral pledged.

Securities Lending Transactions

Overnight and Continuous

Federated Hermes Government Obligations Fund, Institutional Class	\$ 74,571
---	-----------

The fair value of the securities loaned for the Portfolio totaled \$5,203,602 at December 31, 2023. The securities loaned are noted in the Schedule of Investments. The fair value of the "collateral for securities loaned" on the Schedule of Investments includes only cash collateral received and reinvested that totaled \$74,571 for the Portfolio as of December 31, 2023. This amount is offset by a liability recorded as "Collateral on securities loaned." At December 31, 2023, the Portfolio received non-cash collateral of \$5,237,761. The non-cash collateral consists of short-term investments and long-term bonds and is held for benefit of a Portfolio at the Portfolio's custodian. The Portfolio cannot pledge or resell the collateral.

TOPS[®] Managed Risk Flex ETF Portfolio
Notes to Financial Statements (Continued)
December 31, 2023

3. INVESTMENT TRANSACTIONS

For the year ended December 31, 2023, cost of purchases and proceeds from sales of portfolio securities, other than short-term investments and government securities, amounted to \$26,193,919 and \$32,582,239, respectively.

4. INVESTMENT ADVISORY AGREEMENT AND TRANSACTIONS WITH RELATED PARTIES

ValMark Advisers, Inc. serves as the Portfolio's investment advisor (the "Advisor"). The Advisor has engaged Milliman Financial Risk Management, LLC as the Portfolio's sub-advisor (the "Sub-Advisor"). Pursuant to an advisory agreement with the Trust, the Advisor, on behalf of the Portfolio, under the oversight of the Board, directs the daily investment operations of the Portfolio and supervises the performance of administrative and professional services provided by others. As compensation for its services and the related expenses borne by the Advisor, the Portfolio pays the Advisor a management fee, computed on average daily net assets and accrued daily and paid monthly, at an annual rate of 0.30% of the Portfolio's average daily net assets. Pursuant to a sub-advisory agreement, the Advisor pays the Sub-Advisor a fee, which is computed and accrued daily and paid monthly. For the year ended December 31, 2023, the Advisor earned \$434,172 in advisory fees.

The Board has adopted, on behalf of the Portfolio, a Distribution Plan (the "Plan") pursuant to Rule 12b-1 under the 1940 Act. The fee is calculated at an annual rate of 0.45% of the average daily net assets attributable to the Portfolio's shares, and is paid to Northern Lights Distributors, LLC (the "Distributor") to provide compensation for ongoing shareholder servicing and distribution related activities and/or maintenance of the Portfolio's shareholder accounts, not otherwise required to be provided by the Advisor. For the year ended December 31, 2023, the Portfolio paid \$651,257 in distribution fees under the Plan.

In addition, certain affiliates of the Distributor provide services to the Portfolio as follows:

Ultimus Fund Solutions, LLC ("UFS"), an affiliate of the Distributor, provides administration, fund accounting, and transfer agent services to the Trust. Pursuant to the terms of an administrative servicing agreement with UFS, the Portfolio pays to UFS a monthly fee for all operating expenses of the Portfolio, which is calculated by the Portfolio on its average daily net assets. Operating expenses include but are not limited to Fund Accounting, Fund Administration, Transfer Agency, Legal Fees, Audit Fees, Compliance Services, Shareholder Reporting Expenses, Trustees Fees and Custody Fees.

For the year ended December 31, 2023, the Trustees received fees in the amount of \$18,723 on behalf of the Portfolio.

The approved entities may be affiliates of UFS and the Distributor. Certain Officers of the Trust are also Officers of UFS, and are not paid any fees directly by the Portfolio for serving in such capacities.

Northern Lights Compliance Services, LLC ("NLCS"), an affiliate of UFS and the Distributor, provides a Chief Compliance Officer to the Trust, as well as related compliance services, pursuant to a consulting agreement between NLCS and the Trust. Under the terms of such agreement, NLCS receives customary fees from UFS under the administrative servicing agreement.

Blu Giant, LLC ("Blu Giant"), an affiliate of UFS and the Distributor, provides EDGAR conversion and filing services as well as print management services for the Portfolio on an ad-hoc basis. For the provision of these services, BluGiant receives customary fees from UFS under the administrative servicing agreement.

5. CONTROL OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of the Portfolio creates presumption of the control of the Portfolio, under Section 2(a)(9) of the 1940 Act. As of December 31, 2023, Minnesota Life Insurance Company held 100% of the voting securities of the Portfolio. The Trust has no knowledge as to whether all or any portion of the shares owned of record are also owned beneficially.

TOPS[®] Managed Risk Flex ETF Portfolio
Notes to Financial Statements (Continued)
December 31, 2023

6. DISTRIBUTIONS TO SHAREHOLDERS AND TAX COMPONENTS OF CAPITAL

The table below represents aggregate cost for federal tax purposes for the Portfolio as of December 31, 2023 and differs from market value by net unrealized appreciation/depreciation which consisted of:

Cost for Federal Tax Purposes	Unrealized Appreciation	Unrealized Depreciation	Tax Net Unrealized Appreciation
\$ 135,193,041	\$ 18,297,517	\$ (5,432,552)	\$ 12,864,965

The tax character of the Portfolio's distribution paid for the years ended December 31, 2023 and December 31, 2022 was as follows:

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2022
Ordinary Income	\$ 2,429,161	\$ 1,987,271
Long-Term Capital Gain	612,988	-
	<u>\$ 3,042,149</u>	<u>\$ 1,987,271</u>

As of December 31, 2023, the components of accumulated earnings/(deficit) on a tax basis were as follows:

Undistributed Ordinary Income	Undistributed Long-Term Gains	Post October Loss and Late Year Loss	Capital Loss Carry Forwards	Other Book/Tax Differences	Unrealized Appreciation/ (Depreciation)	Total Accumulated Earnings/(Deficits)
\$ 3,432,863	\$ 1,668,075	\$ -	\$ -	\$ -	\$ 12,864,965	\$ 17,965,903

The difference between book basis and tax basis accumulated net realized gains/losses, and unrealized appreciation/depreciation from investments is primarily attributable to the tax deferral of losses on wash sales and the mark-to-market treatment of Section 1256 futures contracts.

7. RECENT REGULATORY UPDATES

On January 24, 2023, the SEC adopted rule and form amendments to require mutual funds and ETFs to transmit concise and visually engaging streamlined annual and semiannual reports to shareholders that highlight key information. Other information, including financial statements, will not appear in a streamlined shareholder report but must be available online, delivered free of charge upon request, and filed on a semiannual basis on Form N-CSR. The rule and form amendments have a compliance date of July 24, 2024. At this time, management is evaluating the impact of these amendments on the shareholder reports for the Fund.

8. SUBSEQUENT EVENTS

Subsequent events after the date of the Statement of Assets and Liabilities have been evaluated through the date the financial statements were issued. Management has determined that no events or transactions occurred requiring adjustment or disclosure in the financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees of the Northern Lights Variable Trust and Shareholders of TOPS Managed Risk Flex ETF Portfolio

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of TOPS Managed Risk Flex ETF Portfolio (the "Portfolio"), one of the portfolios constituting the Northern Lights Variable Trust (the "Trust"), including the schedule of investments, as of December 31, 2023, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2023, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

Our audit included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of December 31, 2023, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audit provides a reasonable basis for our opinion.

Deloitte & Touche LLP

Costa Mesa, California
February 26, 2024

We have served as the auditor of one or more TOPS Portfolios investment companies since 2019.

TOPS[®] Managed Risk Flex ETF Portfolio
Supplemental Information (Unaudited)
December 31, 2023

FOREIGN TAX CREDIT

The Portfolio intends to elect to pass through to shareholders the income tax credit for taxes paid to foreign countries. Foreign source income and foreign tax expense per outstanding share as of fiscal year ended December 31, 2023 and December 31, 2022, were as follows:

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2022
Foreign Taxes Paid	\$ 0.0020	\$ 0.0046
Foreign Source Income	0.0206	0.0632

TOPS® ETF Portfolio
Additional Information (Unaudited)
December 31, 2023

ValMark Advisers, Inc. - Adviser to the following:

TOPS® Aggressive Growth ETF Portfolio (“TOPS Aggressive”),
TOPS® Balanced ETF Portfolio (“TOPS Balanced”),
TOPS® Conservative ETF Portfolio (“TOPS Conservative”),
TOPS® Growth ETF Portfolio (“TOPS Growth”), and
TOPS® Moderate Growth ETF Portfolio (“TOPS Moderate”)
(collectively “TOPS Non-Risk Managed Portfolios” or “TOPS Portfolio”)*

TOPS® Managed Risk Balanced ETF Portfolio (“TOPS Risk Balanced”),
TOPS® Managed Risk Growth ETF Portfolio (“TOPS Risk Growth”),
TOPS® Managed Risk Moderate Growth ETF Portfolio, (“TOPS Risk ETF”),
TOPS® Managed Risk Flex ETF Portfolio (“TOPS Risk Flex”),
(collectively “TOPS Risk Managed Portfolios” or “TOPS Portfolio”)*
TOPS Global Target Range (“TOPS Target” or “TOPS Portfolio”)*

In connection with the regular meeting held on November 13-14, 2024 of the Board of Trustees (the “Trustees” or the “Board”) of the Northern Lights Variable Trust (the “Trust”), including a majority of the Trustees who are not “interested persons,” as that term is defined in the Investment Company Act of 1940, as amended, discussed the renewal of an investment advisory agreement (the “Advisory Agreement”) between ValMark Advisers, Inc (the “Adviser”) and the Trust, with respect to each TOPS Portfolio (the “Fund”). In considering the re-approval of the Advisory Agreement, the Board received materials specifically relating to the Advisory Agreement.

The Trustees were assisted by independent legal counsel throughout the Advisory Agreement review process. The Trustees relied upon the advice of independent legal counsel and their own business judgment in determining the material factors to be considered in evaluating the Advisory Agreement and the weight to be given to each such factor. The conclusions reached by the Trustees were based on a comprehensive evaluation of all of the information provided and were not the result of any one factor. Moreover, each Trustee may have afforded different weight to the various factors in reaching his conclusions with respect to the Advisory Agreement.

Nature, Extent and Quality of Service. The Board noted that the Adviser was founded in 1997 and had approximately \$6.7 billion in assets under management as of July 31, 2023. They acknowledged that the Adviser provided fee based financial planning, consulting, risk management services, and created and managed ETF portfolio programs. The Board reviewed the background information of the key investment professionals servicing the portfolios taking into consideration their education and diverse financial industry experience and noted there were no changes. The Board noted that the Adviser constructed portfolios that were diversified across many asset classes using proprietary technology which considers historical performance, correlations and risks as measured by return volatility of the assets selected. The Board acknowledged that the Adviser set the asset allocation, selected the appropriate ETFs, performed deep dive analysis and monitoring of the underlying investments, oversaw the sub-adviser’s trading of the portfolios, and also monitored and instructed rebalancing of the portfolios back to the relevant target asset allocation when percentages deviated. The Board recognized that the Adviser used a sub-adviser to apply a risk overly strategy to stabilize volatility around each Portfolio’s target volatility level. The Board further noted that the Adviser performed on-going diligence and supervision of the sub-adviser, which included compliance and trading oversight of the TOPS Risk Managed Portfolios and oversight of the trading for the TOPS Non-Risk Managed Portfolios. They discussed that the Adviser’s cybersecurity committee ensured cyber policies, procedures, and protocols were reviewed, up to date, and reported no cybersecurity incidents over the past year. The Board noted that the Adviser delegated trading execution to the sub-adviser but utilized a best execution committee to review executing brokers and monitor execution. The Board also acknowledged that the Adviser had dedicated staff and technological resources to support the programs and the TOPS Portfolios’ compliance requirements. The Board concluded that the Adviser continued to provide a high level of service to the TOPs Portfolios and their respective shareholders.

Performance.

TOPS Aggressive. The Board noted the Fund’s objective of providing capital appreciation and that it received a three-star Morningstar rating. The Board reviewed the performance of the Fund, noting that the Fund underperformed the benchmark index, peer median group and Morningstar category in the one-year, five-year and since inception periods while it underperformed its benchmark in the three-year, but outperformed the peer median group and Morningstar category median. The Board considered that the Adviser attributed underperformance to the Fund’s overweighting in equity and international markets compared to its peer funds. They agreed that the Fund’s performance was consistent with the strategies disclosed in its prospectus.

TOPS® ETF Portfolio
Additional Information (Unaudited) (Continued)
December 31, 2023

TOPS Balanced. The Board reviewed the Fund's objective, noting that the Fund provided income and capital appreciation. The Board acknowledged that the Fund outperformed the peer group for the one-year, three-year and five-year periods but underperformed the benchmark index and Morningstar category median for the same period. The Board further observed that the Fund underperformed its benchmark, peer group and Morningstar category since inception. The Board considered that the Adviser attributed underperformance to the Fund's underweighting in equity and overweight in international markets. The Board agreed that the Fund's performance was consistent with the strategies disclosed in its prospectus.

TOPS Conservative. The Board noted the Fund's objective of preservation of capital and moderate income and moderate capital appreciation. They further noted that the Fund had received a four-star Morningstar rating. The Board acknowledged that the Fund outperformed its peer group median for the one-year, three-year, and five-year periods. The Board further noted that the Fund outperformed its Morningstar category median for the three-year period. The Board acknowledged that the Fund underperformed its benchmark for all comparison periods. The Board discussed the low standard deviation and solid Sharpe and Sortino ratios versus its peers. The Board also noted the bond portion was shorter in duration which helped the standard deviation, Sharpe, and Sortino metrics. The Board concluded that the Fund was accomplishing its objective and that the Adviser was implementing the strategy as expected.

TOPS Growth. The Board reviewed the Fund's objective and noted that it sought capital appreciation and received a three-star Morningstar rating. The Board recognized that the Fund underperformed against its benchmark for all periods and that the Fund outperformed its peer group and Morningstar category medians across all periods. The Board agreed that the Fund performed as designed and disclosed in its prospectus.

TOPS Moderate. The Board reviewed the Fund's objective, noting that it sought capital appreciation and received a three-star Morningstar rating. They noted that the Fund outperformed its Morningstar category and peer group medians for the one-year, three-year and five-year periods. They acknowledged that the Fund underperformed its benchmark for all comparison periods and attributed the underperformance to the Fund's allocation to value and international rather than growth securities. The Board reviewed the Fund's risk metrics and noted that the Fund's Sharpe and Sortino ratios had ranked in the 1st quartile among the Fund's Morningstar category and peer group over the one-year and three-year periods. The Board concluded that the Fund was accomplishing its objective and that the Adviser was implementing the strategy as expected.

TOPS Risk Balanced. The Board reviewed the Fund's objective and noted that it sought income and capital appreciation with less volatility than the fixed and equity markets as a whole and received a three-star Morningstar rating. The Board noted that the Fund outperformed its peer group medians for the one-year, three-year, and five-year periods. The Board acknowledged that the Fund underperformed the Morningstar category median for the one-year, five-year and since inception periods. They also considered that the Fund underperformed the benchmark for all periods. They discussed the impact of the Fund's hedging strategy on performance, which lowers returns but also lowers volatility. The Board agreed that the Fund performed as designed and disclosed in its prospectus.

TOPS Risk Flex. The Board reviewed the Fund's objective and noted that the Fund sought income and capital appreciation with less volatility than fixed income and equity markets as a whole. They further noted that the Fund received a three-star Morningstar rating. The Board considered the Fund's performance and acknowledged that the Fund outperformed its Morningstar category and peer group for the one-year and three-year periods but underperformed its benchmark over the same period. They further noted that the Fund underperformed all its comparison groups for the five-year and since inception periods. They discussed that the Fund was in the first or second quartile for Standard Deviation among its peer group and Morningstar category for all periods. The Board concluded that the Fund's managed risk strategy continued to provide benefits to the Fund's shareholders.

TOPS Risk Growth. The Board considered the Fund's objective, noting that the Fund seeks to provide capital appreciation with less volatility than equity markets. They acknowledged that the Portfolio received a two-star Morningstar rating. The Board considered the Fund's performance, noting that it outperformed its Morningstar category and peer group for the one-year period. The Board noted that the hedge does reduce volatility as seen in the standard deviation, however, the hedge also reduced the return in up markets and did not make up for the reduction in down markets. The Board further explained that this can be seen in the poor Sharpe and Sortino ratios for all periods other than the 3-year which included the down trending year of 2022 when the hedge was beneficial. The Board agreed that the Fund performed as designed and disclosed in its prospectus.

TOPS[®] ETF Portfolio
Additional Information (Unaudited) (Continued)
December 31, 2023

TOPS Risk ETF. The Board acknowledged the Fund's objective and noted that the Fund seeks to provide capital appreciation with lower volatility than equity markets. They further noted that the Fund received a three-star Morningstar rating. The Board reviewed the performance of the Fund, noting that the Fund underperformed all comparison groups for the five year and since inception periods. The Board further noted that the Fund outperformed the Morningstar Category median and peer group median for the one-year and three-year periods but underperformed the benchmark. The Board acknowledged that the Sharpe and Sortino ratios are solid for the one, three and five-year periods but since inception the fund has dealt with performance drag attributable to the hedge overlay reduction over the longer time frame. The Board concluded that the Fund was performing as expected according to its prospectus.

TOPS Target. The Board discussed the Fund's objective and noted the Fund seeks to provide capital appreciation, with a secondary objective of hedging risk. The Board acknowledged the short history of the Fund and that it underperformed the peer group median, Morningstar category, and benchmark over the one-year and since inception periods. The Board noted that half of the Fund was outside the S&P 500 which hurt performance since small cap and International lagged the S&P since inception of the Fund, in addition to the option strategy had lowered performance and not captured upside. The Board concluded that the Fund strategy has been implemented as intended and the Advisor may be retained so a longer time of evaluation may be achieved.

Fees and Expenses.

TOPS Non-Risk Managed Portfolios. The Board reviewed the advisory fee charged to each of the TOPS Non-Risk Managed Portfolios, noting that the Adviser charged 0.10% for advisory services to each Fund. The Board compared the net expense ratio and advisory fee of each to its Morningstar category and peer group and acknowledged that the Fund's net expense ratio and advisory fee was consistently lower than the comparable groups. The Board concluded that the advisory fee for each of the TOPS Non-Risk Managed Portfolios was not unreasonable.

TOPS Risk Managed Portfolios. The Board reviewed the advisory fee charged to each of the TOPS Risk Managed Portfolios, noting that the Adviser charged 0.30% for the advisory services rendered to each Fund. The Board compared the net expense ratio and advisory fee of each TOPS Risk Managed Portfolio to its Morningstar category and peer group, acknowledging that each Fund had a higher net expense ratio but that the advisory fee and net expenses were more in line with the peer groups. The Board concluded that the advisory fee for each of the TOPS Risk Managed Portfolios was not unreasonable.

Profitability.

TOPS Non-Risk Managed Portfolios. The Board reviewed the profitability analysis provided by the Adviser in connection with the services provided to each Fund. After further discussion, the Board concluded that excessive profitability was not a concern at this time for any TOPS Non-Risk Managed Portfolio.

TOPS Risk Managed Portfolios. The Board reviewed the profitability analysis provided by the Adviser in connection with the services provided to each Fund. They noted that the Adviser indicated that it received a profit in connection with its relationship with each Fund and that the profits were reasonable in terms of actual dollars and as a percentage of revenue. The Board concluded that the Adviser was not realizing an excessive profit from the advisory services provided to any of the TOPS Risk Managed Portfolios.

Economies of Scale. The Board considered whether economies of scale had been realized in connection with the Adviser's advisory services provided to each of the TOPS Portfolios. The Board acknowledged that the Adviser did not foresee any capacity limitations and that they would continue to monitor for opportunities to implement breakpoints as each Fund's size increased significantly. The Board concluded that based on each Fund's current asset size, the absence of breakpoints was acceptable at this time.

Conclusion. Having requested and received such information from the Adviser as the Board believed to be reasonably necessary to evaluate the terms of the Advisory Agreement, and as assisted by the advice of independent counsel, the Board concluded that each advisory fee paid by each of the TOPS Portfolios to the Adviser was not unreasonable, and that renewal of the agreement with the Adviser was in the best interests of the shareholders of each Fund.

*Due to the timing of the contract renewal schedule, these deliberations may or may not relate to the current performance results of the TOPS Portfolio.

TOPS® ETF Portfolio
Additional Information (Unaudited) (Continued)
December 31, 2023

Milliman Financial Risk Management, LLC - Sub-Adviser to the following:

<p>TOPS® Aggressive Growth ETF Portfolio (“TOPS Aggressive”), TOPS® Balanced ETF Portfolio (“TOPS Balanced”), TOPS® Conservative ETF Portfolio (“TOPS Conservative”), TOPS® Growth ETF Portfolio (“TOPS Growth”), and TOPS® Moderate Growth ETF Portfolio (“TOPS Moderate”) (collectively “TOPS Non-Risk Managed Portfolios” or “TOPS Portfolio”)*</p>	<p>TOPS® Managed Risk Balanced ETF Portfolio (“TOPS Risk Balanced”), TOPS® Managed Risk Growth ETF Portfolio (“TOPS Risk Growth”), TOPS® Managed Risk Moderate Growth ETF Portfolio, (“TOPS Risk ETF”), TOPS® Managed Risk Flex ETF Portfolio (“TOPS Risk Flex”), (collectively “TOPS Risk Managed Portfolios” or “TOPS Portfolio”)* TOPS Global Target Range (“TOPS Target” or “TOPS Portfolio”)*</p>
--	--

In connection with the regular meeting held on November 13-14, 2023 of the Board of Trustees (the “Trustees” or the “Board”) of the Northern Lights Variable Trust (the “Trust”), including a majority of the Trustees who are not “interested persons,” as that term is defined in the Investment Company Act of 1940, as amended, discussed the approval of a sub-advisory agreement (the “Sub-Advisory Agreement”) between Milliman Financial Risk Management (the “Sub-Adviser”) and ValMark Advisers, Inc. (“Adviser”), with respect to each TOPS Portfolio (the “Fund” or “Funds”). In considering the approval of the Sub-Advisory Agreement, the Board received materials specifically relating to the Sub-Advisory Agreement.

The Trustees were assisted by independent legal counsel throughout the Sub-Advisory Agreement review process. The Board relied upon the advice of independent legal counsel and their own business judgment in determining the material factors to be considered in evaluating the Sub-Advisory Agreement and the weight to be given to each such factor. The conclusions reached by the Trustees were based on a comprehensive evaluation of all of the information provided and were not the result of any one factor. Moreover, each Trustee may have afforded different weight to the various factors in reaching his conclusions with respect to the Sub-Advisory Agreement.

Nature, Extent and Quality of Service. The Board noted that that Sub-Adviser was founded in 1998 and serviced approximately \$159 billion in assets for the insurance industry and self-insured organizations. The Board reviewed the background information of the key personnel responsible for servicing the Funds, taking into consideration their education and experience related to trading, risk management, portfolio management, quantitative finance, technology and actuarial services. The Board observed that the Sub-Adviser provided non-discretionary investment advisory trading services to execute trades for the TOPS Non-Risk Managed Portfolios. They also noted that the Sub-Adviser provided research and analysis, and compliance services to implement the managed risk strategy and execute trades to hedge the TOPS Risk Managed Portfolios. The Board observed that the Sub-Adviser sets the trading thresholds in accordance with each portfolio’s investment limitations and other limitations as directed by the adviser into their trading and compliance systems producing post-trade compliance reporting for validation. The Board noted the Sub-Adviser reported no cybersecurity incidents over the past year. The Board further noted that the Sub-Adviser reported no compliance or litigation issues since the last renewal of the Sub-Advisory Agreement.

Performance. The Board reviewed the performance of the TOPS Risk Managed Portfolios, particularly noting the impact of the Sub-Adviser’s hedging strategy. They acknowledged that the Sub-Adviser’s hedging strategy was designed to decrease the impact of volatility on each of the TOPS Risk Managed Portfolios, even if this negatively impacted each Fund’s performance. The Board noted that the Sub-Adviser’s hedging strategy was designed to perform optimally during sustained market declines and would underperform during periods of market growth. They further noted that the Sub-Adviser’s hedging strategy appeared to be functioning as intended. With respect to the TOPS Non-Risk Managed Portfolios, they acknowledged that the Sub-Adviser’s execution services had little impact on performance.

TOPS[®] ETF Portfolio
Additional Information (Unaudited) (Continued)
December 31, 2023

Fees and Expenses. The Board reviewed the fee arrangement between the Adviser and Sub-Adviser with respect to the TOPS Risk Managed Portfolios and the TOPS Non-Risk Managed Portfolios. They noted that the Sub-Adviser received a modest fixed fee for the execution services provided to the TOPS Non-Risk Managed Portfolios. They reviewed the fee split between the Adviser and the Sub-Adviser with respect to the TOPS Risk Managed Portfolios, noting that the Sub-Adviser received a fee equal to 0.20% of each TOPS Risk Managed Portfolio's average daily net assets, paid from the Adviser's fees. They considered the fees the Sub-Adviser charged for the TOPS Risk Managed Portfolios compared to other accounts managed by the Sub-Adviser. After further discussion, the Board concluded that the sub-advisory fee charged with respect to each TOPS Portfolio was not unreasonable.

Profitability. The Board reviewed the profitability analysis provided by the Sub-Adviser with respect to each of the TOPS Portfolios. They noted that the Sub-Adviser realized profits in terms of actual dollars and percentage of revenue in connection with its relationship with the TOPS Portfolios. They further noted that the Sub-Adviser indicated lower profits with respect to the TOPS Non-Risk Managed Portfolios due to economies of scale and existing fee arrangements. The Board concluded that excessive profitability was not a concern at this time.

Economies of Scale. The Board considered whether economies of scale had been achieved by the Sub-Adviser with respect to the management of the TOPS Portfolios. The Board agreed that, with respect to the execution services provided to the TOPS Non-Risk Managed Portfolios, the fees were modest because the services were very limited in scope. With respect to the TOPS Risk Managed Portfolios, the Board concluded that the current fee levels appeared to reflect the sharing of Sub-Adviser efficiencies with the Adviser, which allowed the Adviser to maintain its fees at reasonable levels.

Conclusion. The Board acknowledged the Sub-Adviser's reputation as a global leader in financial risk management, in addition to the highly technical organization and skillset that supports their operation. They considered the Adviser's opinion that the quality of the Sub-Adviser's services was high, viewed them as a valued partner and recommended retention. The Board concluded that the Sub-Adviser was expected to continue providing a high level of quality service to the Portfolios, Adviser, and shareholders. Having requested and received such information from the Sub-Adviser as the Board believed to be reasonably necessary to evaluate the terms of the Sub-Advisory Agreement, and as assisted by the advice of independent counsel, the Board concluded that renewal of the Sub-Advisory Agreement was in the best interests of the shareholders of each of the TOPS Portfolios.

*Due to the timing of the contract renewal schedule, these deliberations may or may not relate to the current performance results of the TOPS Portfolio.

TOPS[®] Managed Risk Flex ETF Portfolio
Expense Example (Unaudited)
December 31, 2023

As a shareholder of the TOPS[®] Managed Risk Flex ETF Portfolio, you incur ongoing costs, including management fees; distribution and/or service (12b-1) fees; and other Portfolio expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from July 1, 2023 through December 31, 2023.

Actual Expenses

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

Hypothetical Example for Comparison Purposes

The “Hypothetical” columns in the table below provides information about hypothetical account values and hypothetical expenses based on the Portfolio’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balances or expenses you paid for the period. You may use this information to compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

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

	<i>Portfolio’s Annualized Expense Ratio</i>	<i>Beginning Account Value 7-1-23</i>	<i>Actual</i>		<i>Hypothetical (5% return before expenses)</i>	
			<i>Ending Account Value 12-31-23</i>	<i>Expenses Paid During Period *</i>	<i>Ending Account Value 12-31-23</i>	<i>Expenses Paid During Period*</i>
TOPS Managed Risk Flex ETF Portfolio	0.86%	\$1,000.00	\$1,044.70	\$4.44	\$1,020.87	\$4.38

*Expenses are equal to the average account value over the period, multiplied by the Portfolio’s annualized expense ratio, multiplied by the number of days in the period (184) divided by the number of days in the fiscal year (365).

TOPS® ETF Portfolios
Supplemental Information (Unaudited)
December 31, 2023

The Trustees and the executive officers of the Trust are listed below with their present positions with the Trust and principal occupations over at least the last five years. The business address of each Trustee and Officer is 225 Pictoria Drive, Suite 450, Cincinnati, OH 45246. All correspondence to the Trustees and Officers should be directed to c/o Ultimus Fund Solutions, LLP, P.O. Box 541150, Omaha, Nebraska 68154.

Independent Trustees

Name, Address and Year of Birth	Position/Term of Office	Principal Occupation During the Past Five Years	Number of Portfolios in Fund Complex* Overseen by Trustee	Other Directorships held by Trustee During the Past Five Years
Mark Garbin Born in 1951	Trustee Since 2013	Managing Principal, Coherent Capital Management LLC (since 2007).	10	Northern Lights Variable Trust (for series not affiliated with the Funds since 2013); Two Roads Shared Trust (since 2012); Forethought Variable Insurance Trust (since 2013); Northern Lights Fund Trust (since 2013); OHA Mortgage Strategies Fund (offshore), Ltd. (2014 - 2017); and Altegris KKR Commitments Master Fund (since 2014); OFI Carlyle Global Private Credit Fund (since March 2018) and Independent Director OHA CLO Enhanced Equity II Genpar LLP (since June 2021).
Mark D. Gersten Born in 1950	Trustee Since 2013	Independent Consultant (since 2012).	10	Northern Lights Variable Trust (for series not affiliated with the Funds since 2013); Northern Lights Fund Trust (since 2013); Two Roads Shared Trust (since 2012); Altegris KKR Commitments Master Fund (since 2014); previously, Ramius Archview Credit and Distressed Fund (2015-2017); Schroder Global Series Trust (2012 - 2017).
Anthony J. Hertl Born in 1950	Trustee Since 2005; Chairman of the Board since 2013	Retired, previously held several positions in a major Wall Street firm including Capital Markets Controller, Director of Global Taxation, and CFO of the Specialty Finance Group.	10	Northern Lights Variable Trust (for series not affiliated with the Funds since 2006); Northern Lights Fund Trust (since 2005); Alternative Strategies Fund (since 2010); Satuit Capital Management Trust (2007-2019).
Gary W. Lanzen Born in 1954	Trustee Since 2005	Retired since 2012. Formerly, Founder, President, and Chief Investment Officer, Orizon Investment Counsel, Inc. (2000-2012).	10	Northern Lights Variable Trust (for series not affiliated with the Funds since 2006); Northern Lights Fund Trust (since 2005); AdvisorOne Funds (since 2003); Alternative Strategies Fund (since 2010); and previously, CLA Strategic Allocation Fund (2014-2015).
John V. Palancia Born in 1954	Trustee Since 2011	Retired (since 2011). Formerly, Director of Futures Operations, Merrill Lynch, Pierce, Fenner & Smith Inc. (1975-2011).	10	Northern Lights Variable Trust (for series not affiliated with the Funds since 2011); Northern Lights Fund Trust III (since February 2012); Alternative Strategies Fund (since 2012) and Northern Lights Fund Trust

TOPS® ETF Portfolios
Supplemental Information (Unaudited)(Continued)
December 31, 2023

				(since 2011).
Mark H. Taylor Born in 1964	Trustee Since 2007; Chairman of the Audit Committee since 2013	PhD (Accounting), CPA; Professor and Director, Lynn Pippenger School of Accountancy, Muma College of Business, University of South Florida (2019 – present); Professor and Department of Accountancy Chair, Case Western Reserve University (2009-2019); President, American Accounting Association (AAA) commencing August 2022 (President-Elect 2022- 2023, President 2023-2024; Past President 2024-2025). AAA Vice President-Finance (2017-2020); President, Auditing Section of the AAA; Member, AICPA Auditing Standards Board (2009-2012); Academic Fellow, Office of the Chief Accountant, United States Securities Exchange Commission (2005-2006); Center for Audit Quality research grants (2014, 2012). +	10	Northern Lights Variable Trust (for series not affiliated with the Funds since 2007); Alternative Strategies Fund (since 2010); Northern Lights Fund Trust III (since 2012); and Northern Lights Fund Trust (since 2007).

Officers

Name, Address and Year of Birth	Position/Term of Office*	Principal Occupation During the Past Five Years	Number of Portfolios in Fund Complex* Overseen by Trustee	Other Directorships held by Trustee During the Past Five Years
Kevin E. Wolf Born in 1969	President Since June 2017	Executive Vice President, Head of Fund Administration, and Product; Ultimus Fund Solutions, LLC (since 2020); Vice President of The Ultimus Group, LLC (since 2019); Executive Vice President of Gemini Fund Services, LLC (2019-2020) President, Gemini Fund Services, LLC (2012 - 2019).	N/A	N/A

TOPS® ETF Portfolios
Supplemental Information (Unaudited)(Continued)
December 31, 2023

Timothy Burdick Born in 1986	Vice President Since November 2023	Vice President and Senior Managing Counsel, Ultimus Fund Solutions, LLC (since 2023); Vice President and Managing Counsel, Ultimus Fund Solutions, LLC (2022-2023); Assistant Vice President and Counsel, Ultimus Fund Solutions, LLC (2019-2022)	N/A	N/A
James Colantino Born in 1969	Treasurer Since June 2017	Senior Vice President Fund Administration, Ultimus Fund Solutions (since 2020); Senior Vice President Fund Administration, Gemini Fund Services, LLC (2012-2020); Assistant Treasurer of the Trust (2006-June 2017).	N/A	N/A
Stephanie Shearer Born in 1979	Secretary Since February 2017	Assistant Secretary of the Trust (2012-February 2017); Associate Director, Ultimus Fund Solutions (since 2022); Manager of Legal Administration, Ultimus Fund Solutions (since 2020-2022); Manager of Legal Administration, Gemini Fund Services, LLC (2018-2020); Senior Paralegal, Gemini Fund Services, LLC (2013 - 2018).	N/A	N/A
Michael J. Nanosky Born in 1966	Chief Compliance Officer since January 2021	Chief Compliance Officer, of the Trust (Since January 2021); Vice President-Senior Compliance Officer, Ultimus Fund Solutions (Since 2020); Vice President, Chief Compliance Officer for Williamsburg Investment Trust (2020-current); Senior Vice President- Chief Compliance Officer, PNC Funds (2014-2019).	N/A	N/A

*The term of office for each Trustee and officer listed above will continue indefinitely until the individual resigns or is removed.

**As of December 31, 2023, the Trust was comprised of 13 active portfolios managed by unaffiliated investment advisers. The term "Fund Complex" applies only to the Portfolios managed by the Adviser. The Portfolios do not hold themselves out as related to any other series within the Trust for investment purposes, nor do they share the same investment adviser with any other series.

The Fund's Statement of Additional Information includes additional information about the Trustees and is available free of charge, upon request, by calling toll-free at 1-855-572-5945.

PRIVACY NOTICE

NORTHERN LIGHTS VARIABLE TRUST

Rev. April 2021

FACTS

WHAT DOES NORTHERN LIGHTS VARIABLE TRUST DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depends on the product or service that you have with us. This information can include:

- Social Security number and wire transfer instructions
- account transactions and transaction history
- investment experience and purchase history

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Northern Lights Variable Trust chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information:	Does Northern Lights Variable Trust share information?	Can you limit this sharing?
For our everyday business purposes - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus.	YES	NO
For our marketing purposes - to offer our products and services to you.	NO	We don't share
For joint marketing with other financial companies.	NO	We don't share
For our affiliates' everyday business purposes - information about your transactions and records.	NO	We don't share
For our affiliates' everyday business purposes - information about your credit worthiness.	NO	We don't share
For nonaffiliates to market to you	NO	We don't share

QUESTIONS? Call 1-631-490-4300

PRIVACY NOTICE

NORTHERN LIGHTS VARIABLE TRUST

Page 2

What we do:

How does Northern Lights Variable Trust protect my personal information?	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.</p>
How does Northern Lights Variable Trust collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none">• open an account or deposit money• direct us to buy securities or direct us to sell your securities• seek advice about your investments <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none">• sharing for affiliates' everyday business purposes – information about your creditworthiness.• affiliates from using your information to market to you.• sharing for nonaffiliates to market to you. <p>State laws and individual companies may give you additional rights to limit sharing.</p>

Definitions

Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none">• <i>Northern Lights Variable Trust does not share with its affiliates.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none">• <i>Northern Lights Variable Trust does not share with nonaffiliates so they can market to you.</i>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none">• <i>Northern Lights Variable Trust doesn't jointly market.</i>

PROXY VOTING POLICY

Information regarding how the Portfolio voted proxies relating to portfolio securities for the most recent twelve month period ended June 30 as well as a description of the policies and procedures that the Portfolio uses to determine how to vote proxies is available without charge, upon request, by calling 1-855-572-5945 or by referring to the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>.

PORTFOLIO HOLDINGS

The Portfolio files a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT, within sixty days after the end of the period. Form N-PORT reports are available at the SEC's website at www.sec.gov. The information on Form N-PORT is available without charge, upon request, by calling 1-855-572-5945.

INVESTMENT ADVISOR

ValMark Advisers, Inc.
130 Springside Drive
Akron, OH 44333

INVESTMENT SUB-ADVISOR

Milliman Financial Risk Management, LLC
71 S. Wacker Drive, 31st Floor
Chicago, IL 60606

ADMINISTRATOR

Ultimus Fund Solutions, LLC
4221 North 203rd Street, Suite 100
Elkhorn, NE 68022