

Release Date: 12-31-2020

Ivy VIP Mid Cap Growth — Class II

Investment Strategy from investment's prospectus

The investment seeks to provide growth of capital. The Portfolio seeks to achieve its objective by investing primarily in common stocks of mid-capitalization companies that IICO believes are high quality and/or offer above-average growth potential. Under normal circumstances, it invests at least 80% of its net assets in the securities of mid-capitalization companies, which, for purposes of this Portfolio, typically are companies with market capitalizations similar to those of issuers included in the Russell Midcap Growth Index over the last 13 months at the time of acquisition.

Past name: Ivy VIP Mid Cap Growth.

Category Description: Mid-Cap Growth

Some mid-cap growth funds invest in stocks of all sizes, thus leading to a mid-cap profile, but others focus on midsize companies. Mid-cap growth funds target firms that are projected to grow faster than other mid-cap stocks, therefore commanding relatively higher prices. Many of these stocks are found in the volatile technology, health-care and service sectors.

Operations

Fund Inception Date	04-28-05
Initial Share Class Inception Date	04-28-05
Advisor	Ivy Investment Management Co
Subadvisor	—

Fees and Expenses as of 04-30-20

Gross Prospectus Expense Ratio	1.15%
Net Prospectus Expense Ratio	1.10%

Waiver Data

Type	Exp.Date	%
Contractual	04-30-21	0.05

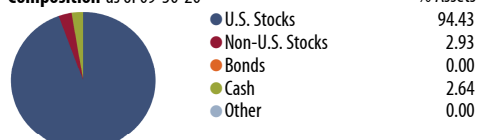
Portfolio Manager(s)

Kimberly A. Scott, CFA. M.B.A., University of Cincinnati. B.S., University of Kansas. Since 2005.

Nathan A. Brown. M.B.A., Vanderbilt University. B.B.A., University of Iowa. Since 2016.

Portfolio Analysis as of 09-30-20

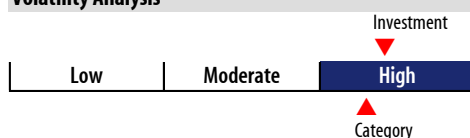
Composition as of 09-30-20



Top 20 Holdings as of 09-30-20

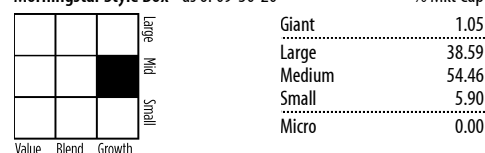
Company	% Assets
CoStar Group Inc	3.59
Chipotle Mexican Grill Inc Class A	3.57
DocuSign Inc	2.89
Electronic Arts Inc	2.87
MarketAxess Holdings Inc	2.82
DexCom Inc	2.73
Twilio Inc A	2.63
Monolithic Power Systems Inc	2.49
Fastenal Co	2.44
Teradyne Inc	2.29
TransUnion	2.16
Seagen Inc Ordinary Shares	2.06
Keysight Technologies Inc	1.95
Abiomed Inc	1.85
Advanced Micro Devices Inc	1.81
Cerner Corp	1.77
Trex Co Inc	1.77
Microchip Technology Inc	1.76
Guidewire Software Inc	1.75
Edwards Lifesciences Corp	1.74
Total Number of Stock Holdings	64
Total Number of Bond Holdings	—
Annual Turnover Ratio %	20.00
Total Fund Assets (\$mil)	646.87

Volatility Analysis



In the past, this investment has shown a wide range of price fluctuations relative to other investments. This investment may experience significant price increases in favorable markets or undergo large price declines in adverse markets. Some of this risk may be offset by owning other investments that follow different investment strategies.

Morningstar Style Box™ as of 09-30-20



Statistics as of 09-30-20

Statistic	Stk Port Avg	S&P 500	Category
P/E Ratio	38.02	22.62	36.33
P/B Ratio	5.64	3.67	5.28
P/C Ratio	22.37	15.03	26.73
GeoAvgCap(\$mil)	18,544.84	176,727.08	19,177.57

Risk Measures as of 12-31-20

Metric	Port Avg	S&P 500	Category
3 Yr Std Dev	23.11	18.80	22.95
3 Yr Sharpe Ratio	1.09	0.72	0.83
3 Yr Alpha	9.63	—	3.90
3 Yr Beta	1.16	—	1.12
3 Yr R-squared	88.38	—	85.03

Morningstar Sectors as of 09-30-20

Sector	%Fund	S&P 500 %
Cyclical	23.55	30.69
Basic Materials	3.10	2.27
Consumer Cyclical	10.78	12.50
Financial Services	5.98	13.50
Real Estate	3.69	2.42
Sensitive	50.11	46.03
Communication Services	7.01	10.77
Energy	0.00	2.28
Industrials	12.89	8.79
Technology	30.21	24.19
Defensive	26.35	23.28
Consumer Defensive	3.12	6.97
Healthcare	23.23	13.55
Utilities	0.00	2.76

Notes

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